The Financial Post

The Canadian Newspaper for Businessmen and Investors

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Canada's Top Mayor

Lucien Borne, 63, celebrating his 10th consecutive year as mayor of Quebec City, recently was chosen President of the Canadian Federation of Mayors and Municipalities, which devoted much of its annual meeting to discussion on the housing shortage. Mayor Borne is owner of Quebec firm, Lucien Borne, Reg., manufacturers of fine leathers.

THE NATION'S BUSINESS

Don't Let Politicians Get Away On This

In thousands of angry protests against the margarine ban, the editors in Canada have, we imagine, said everything there is to be said about this outrage. They have also spoken sonorously and well about the highly odoriferous action of the House of Commons and the Senate in letting the ban stand. Hereby, both houses have lost in dignity and in decency. But the most devastating comment on the ethics and justification of the margarine ban now comes from a representative of the powerful lobby most interested in maintaining this ban.

"Canada will face the greatest butter shortage in history next winter unless steps are taken immediately to avert it, J. H. Duplan, president of the National Dairy Council of Canada, said at Ottawa."

Mr. Duplan makes some suggestions to ease it.

But not one word about the simplest, most obvious way of fixing this situation: lifting that noisome negation of justice and common sense, the margarine ban.

It's time for Canadians to put the blocks to their MP's on this miserable affair, pin them down and ask, Where do you stand on the margarine scandal?

• • •

Campaign Hoop-la Doesn't Pay

Do election campaigns really change votes?

George Gallup, the pollster, discusses the "quadrennial razzle-dazzle" that takes place in the United States and his answer to the question above is "Not much." His article is in Saturday Evening Post. Human nature being pretty much the same everywhere, Gallup's pronouncements are of interest and perhaps importance here in Canada. We have election razzle-dazzle here too.

Do party platforms really change votes?

Says Gallup: "An outrageously bad platform might lose some votes and a phenomenally good one might win some." Generally speaking, their effect is not much.

Do presidential campaigns change votes? Very much less than candidates would like to think. "In a very real sense, presidential campaigns are over before they begin. They are decided to a great extent by events that have occurred in the period between two presidential elections rather than by the campaign."

Do speeches change many votes? "In 13 years of polling covering more than 190 state, local and national elections we have found little evidence that one speech or even a series of speeches changes many votes."

Can one prominent man—e.g., a labor leader—swing votes? Far less than politicians and prominent men think.

Special appeal for the women? Don't bother, says Gallup. They vote with their husbands.

To Canadians who are periodically exposed to relentless oratory devoted frequently to distorting the truth about party views and virtues, Gallup's discouragement to such futile efforts will be gratefully received. Campaign vilifications and villainies have had a lot to do with keeping good men out of public life. They are a wretched burden for the many good men which Canada has in public life. The campaign performance gives special opportunity to the worst men. It confuses, misinforms, perverts.

But important differences there are between Canadians and Americans which reduce to some degree the validity of some of the Gallup findings on the U. S.

The party loyalty of Canadians is less than it is in the United States. There, a large percentage of voters are registered members of a political party. Here the number is relatively small.

Most important difference is that a third party has never achieved important strength in the U. S. Here, with our system of voting, small variations in the disposition of votes can produce an enormous change in the character of the resulting government.

We rejoice in Gallup's finding that campaign speechmaking is pretty much a waste of time. That's one point for the politicians.

But more important is this from Gallup: In a very real sense, campaigns are over before they begin. They are decided to a great extent by events which have occurred in the entire period between two elections rather than by the campaign.

New Methods Essential

To put that another way: It is not the extravagant yammering on the hustings that wins elections, but a party's success in giving voters the belief that they are getting good government, wary for the best interests of the people.

The old parties should think about that. Between elections their political organizations are pretty much in dormant hibernation. The CCF is everywhere at work every week, solidifying interest, building loyalty, exploiting the human and all-but universal desire of people to be part of a group. And whether it's CCF tea parties, euchres, picnics, study groups or bingoes that interest them most, the political result is the same.

The old election bag of tricks just isn't good enough, Mr. King and Mr. Bracken. Your party organizations aren't worth ice cubes in Eskimoland. They sleep most of the time, then wake up screaming. They don't do anything effective to win the Canadian voters' interest in or loyalty to either of your parties. They bore us with last minute oratory and waste money on cheap election tricks.

Most Canadians want democracy to survive in this fine and noble country of ours. Some have the belief that it will or can survive if a socialist government takes over. It won't.

This country's fate depends not only on the quality and wisdom of government it gets, but on the success of democratic parties in bringing home to the millions in warm, compelling human terms, their relationship with the individual and his personal problems.

That is not now being done. It must be and can be if outmoded methods will be abandoned in time

Newest Export Controls Virtual 'Sanctions' System

Canada and U. S. Move to Bar Strategic Materials From 'Unfriendly' Hands – Permits Required for European, Mid-east Shipments

By RONALD WILLIAMS

OTTAWA (Staff) — Economic action that stops just short of outright wartime prohibition of exports to prevent strategic war and other materials getting into "unfriendly" hands, has been taken by Canada.

This is the real meaning of a brief statement last week by Trade Minister Howe that on and after July 15, export permits will be required for all commodities shipped to most European and Middle East destinations.

Significantly, the announcement was made only after consultation with, and the approval of Washington, The Financial Post learns. The United States put similar controls into effect about six weeks ago.

Equally significant, The Post is informed, is the timing, coming as it does close to the announcement of the Washington conference on Western security which Canada will attend.

Prelude to N. Atlantic Union?

On the economic level, this joint action by the U. S. and Canada on export control is what sources here suggest the Washington conference might lead to on the political level: a North Atlantic alliance cut to the pattern of last year's Brussels Treaty on Western European security.

The new system means that on and after July 15 every item destined for Europe from the North American continent, is going to have to pass muster by U. S. and Canadian authorities.

In the words of Mr. Howe's announcement, the new regulations mean that Canada (therefore the U. S. too) is determined to see that Canadian products go to countries "where they will do the most good."

Officially, the new system is being called "area" or "geographic" control. But unofficially, at least one source has a far grimmer name for it: he calls it the closest thing to economic sanctions the world has seen since the Italy-Ethiopia affair.

And in view of the co-related action by the U. S. with respect to countries getting ERP aid to make sure they don't indirectly nullify the U. S.-Canada restrictions, this tag doesn't seem too much out of place.

This simultaneous action, designed by the U. S. to make its own and Canada's export controls stick, has or is about to be taken by Washington, according to Ottawa sources.

How It will work

It consists of a conditional clause in contracts with European countries getting ERP aid. In effect it provides that participants, to qualify for assistance, will have to adopt and enforce similar export regulations, to prevent U. S. and Canadian materials getting into undesirable hands.

In other words, the U. S. with the active help of Canada, is trying to set up an airtight economic union to make sure that nothing of a strategic nature goes through the iron curtain.

In his announcement Mr. Howe reassured businessmen that for the most part, export permits will be freely granted. In any event, the U. K., Northern Ireland and British colonies are exempt because of the strict control British authorities already exercise.

The new "area controls" in no way modify previous export requirements regarding specific commodities: Arms, ammunitions, implements of war, electronic equipment, radioactive products and various other commodities will continue to be dealt with under specific controls.

Imperial Armena Gives Oil Show

EDMONTON—Considerable excitement was caused here when Imperial Oil struck oil in the D-1 zone at its Armena wildcat, about 12 miles northwest of Camrose, which is about 35 miles southeast of Edmonton. Walker L. Taylor of Calgary, company western production chief stated the showings were "encouraging."

The Armena wildcat in three successive drillstem tests gave "encouraging showings of light crude oil plus a little gas and salt water," said Mr. Taylor in an official statement. The tests were within the top 100 ft. of the Devonian zone.

The well is now drilling on to test of the deeper Devonian levels. D-2 and D-3 zones of the Devonian are the productive ones at Leduc and Woodbend sectors of the Edmonton oilfield.

The oil tested 39 gravity, approximately the same as that produced in the Leduc Woodbend sectors.

Lack of Power Cuts Aluminum Sales to U. S.

MONTREAL (Staff) — Shortage of electric power is curtailing Canada's earnings of U. S. dollars. With more power for production, it is estimated that Aluminum Co. of Canada could sell about twice as much to United States as it will actually deliver this year.

Many U. S. industries are calling for more aluminum. Scrap is scarce, and is selling for more than the 16c lb. which U. S. producers charge for virgin aluminum. The three primary producers there, operating close to capacity, will turn out more than 1.2 billion lb.; but production is also handicapped by a lack of sufficient power supplies.

At the present rate, Canada will export more than 140 million lb. of aluminum to United States this year. A little more than half of this quantity will be required for the 70-group air force alone, which United States is now building. Coupled with this is the fact that the last of the 372-million-lb. U. S. government stock of pig aluminum was distributed early this year.

Unless the demand from Alcan's other international customers, notably United Kingdom, falls off, there is little chance the company can step up its sales in United States, it is believed. Up to the end of May this year, aluminum ingot exports to all countries totaled 30.5 million lb., about 120% above the same period a year ago.

This increase reflects not only high U. S. sales, but a comparable increase in exports to United Kingdom. Aluminum exports to that country for the five-month period in 1948 were 142.9 million lb. (37.2 millions in 1947).

To satisfy all its potential customers, Alcan would have to step up production. This, it is said, could be accomplished in two ways; (a) a new plant with power facilities such as that proposed for British Columbia (b) putting presently unused capacity to work at Arvida. This latter course would, of course, require the company to obtain greater power supplies. It is pointed out that the latter method would mean faster production results but would not add to overall production capacity.

PRICES

U. S. tire prices took another boost this week. The U. S. Rubber Co. took the first step with increases of from 5 to 7½%, followed by the B. F. Goodrich Co. with similar ups of from 4½ to 7½%.

The Canadian reaction seems to be varied at the moment. Increased costs of production are a real worry to tire manufacturers, but a definite discrepancy of opinion exists on price changes.

Goodyear Tire & Rubber Co. of Canada looks for no change. Seiberling Rubber Co. of Canada feels it is only a matter of time. Dunlop Tire & Rubber Goods Co. says an increase is needed, but nothing is in offing yet.

Advanced U. S. coal prices won't have much effect on the Canadian bituminous coal industry for two to three months. Manufacturers are carrying good inventories at the moment and coal won't be in heavy demand until these are depleted.

How much the Canadian increase will be is not known yet. But observers feel that the price jump will range from 25c to 75c a ton, perhaps even a dollar.

Elsewhere on the Canadian price front, Hardware and Metal (Maclean-Hunter) reports price increases in hardware lines.

Auto equipment prices are on the rise this month, but sales continue at a high level. Car batteries went up $1 to $2 and other accessories are moving too.

Bolts showed the first consumer effect of recently advanced steel prices as hardware distributors quoted prices about 15% higher. Steel pipe is expected to follow suit in the coming week. With the trend on, a general price increase of all steel hardware products might be just around the corner.

Domestic fruits and vegetables continued to reflect increasing supply during the week as seven major categories dropped in price at the wholesale level.

U. S. Westinghouse, close on the heels of G.E., boosted prices on home appliance lines this week. Increases of from $1 to $20 were attributed to third-round wage jumps, and high costs of materials, fuel, and transportation.

U. S. metal market fell prey to higher prices over last two weeks. Almost right across the board gains were registered or forecast for the near future.

Copper and brass products jumped in New York last week. Copper customs smelters added ¼c lb. for refined copper making grades of scrap, while some

(Continued on page 2, col. 4)

Will Priority On U. S. Steel Hit Users Here?

Truman Given Power to Allocate 10% of Year's Output to Arms Needs

OTTAWA (Staff) — Officials here are watching closely developments in the United States steel picture following the surprise move giving President Truman power to allocate 10% of this year's production.

The special authority, which steel producers have been fighting vigorously for months, was given the President in a rider to the U.S. draft law, passed during the dying hours of the last Congress. Its passage caught the industry completely by surprise.

Because of Canada's dependence on U. S. imported steel (one out of every three tons we use comes from the U. S.) any drastic readjustment in U. S. steel allocations could have serious repercussions here.

Already many manufacturers are at their wits end to know where to get enough steel to see them through the third quarter. Normally, they know by now how much they can expect from their regular suppliers.

But because the U. S. coal strike last spring cut deeply into U. S. production, many Canadian manufacturers are still waiting anxiously for some word from their suppliers as to how much they are going to get in the next three months.

The feeling here is that the new priority power given Truman will not make things any worse for Canada, even though it doesn't help. The U. S. Government recognized during the war and officials here believe still does, that the U. S. and Canadian economies are integrated and to some extent must be treated as one.

Thus, it is reasoned, the U. S. Government will not do anything directly which will hurt U. S. imports to Canada. However, by directing a producer who also ships to Canada to turn part of his output over to priority programs, the Governmment might indirectly force such a supplier to cut allocations all around, including his Canadian customers.

But long before this could happen, Ottawa would likely make representations to Washington, and based on previous experience, mutually satisfactory arrangements could be worked out.

Bacon, Not Beef, For U.K. If Cattle Embargo Ends

OTTAWA (Staff) — If Canada lifts the embargo on shipment of beef cattle to the United States, the British contract for beef will almost certainly be switched to bacon, The Financial Post is told.

British and Canadian officials have already discussed the switch, and are agreed on it in principle; but until the embargo comes off, that's as far as it can go.

Last year the U. K. beef contract called for 50 million lb. If this is switched to bacon, it does not necessarily mean adding another 50 million lb. to the present bacon contract for 195 million lb this year. The Post is told that it will only mean that any surplus bacon produced, up to 50 million lb. and over and above domestic and present export demands, will go to the United Kingdom. It will have no effect on domestic supply or price.

This question of supply and price is behind the general agreement reached to switch the contract to bacon. When and if the embargo to the United States is lifted, beef cattle are expected to flood toward the higher-price U. S. market. And even if the Government tries to stem the flood by subsidy, as is being rumored, a substantial volume would still be lost to the Canadian market. It is to take up this slack that the switch was first proposed.

Subsidy Predicted

Talk of the embargo being lifted and a subsidy being applied toward the end of the month is mounting. This week, Western Canada newspapers were running page 1 stories quoting Ottawa sources that the embargo was coming off. This seemed like a sure thing. Agriculture Minister Gardiner had said so. But predictions about a subsidy were pure speculation, but fairly well-founded speculation, based on the incipient revolt in Liberal ranks against any action which would increase prices further, as would lifting of the embargo.

Most reports on a beef subsidy were coupled with similar talk of some form of subsidy on wheat to keep down the price when the new U. K. contract goes into effect at the end of the month.

What Is Outlook In Next 6 Months?

Barring International Complications, Here's How Bright Industrial and Business Picture Is Shaping Up for Canada

Canadian businessmen headed for holiday resorts and golf courses this week with an air of satisfaction and optimism about them. There would be few vacation worries this year; things looked pretty good for the last half of 1948.

Barring major international complications the last six months of 1948 should see the boom continue.

Here's the way it looks. Production for the last half of the year will rise, in spite of increased costs. Pent-up demand still unfilled at year's end, although continued high prices may in some cases reduce sales volume. Wages and prices varied but the trend still up. Capital expansion, savings and profits all rising in tune with the economy.

Here's The Financial Post's analysis of the factors involved in Canada's economic and business forecast for the last half of the year.

Industrial Production will ride the wings of demand. The DBS production index has shown a steady rise in the first four months, and when summer vacation period ends, is expected to go up from the three-year high of 185.2 registered in April.

Increased production costs may raise prices and reduce profit margins slightly, but the gaping mouth of demand is far from being filled. Too, some industries will get back into the swing of things (e.g. radio industry, if excise tax comes off).

Manufacturers' Inventories in the durable goods category look healthy. They're still too busy trying to fill supply pipe lines to have much of an inventory problem. The big worry is the steel shortage; it's likely to get worse before it gets better (The Financial Post, June 26).

In the non-durable field some segments show a similar pattern. In textiles, cotton shortages in particular have reduced inventories and manufacturers are buying cautiously in the light of high prices. The same situation exists in leather goods,

The labour-wage outlook is good. After a traditional seasonal drop, employment has begun to climb close to the record peaks reached last August. The prospect: a definite shortage of labour, not quite as acute as last year. The reason: influx of Displaced Persons and 40,000 university students on the job prowl.

Prospects for industrial peace look promising. Not since early in the war has there been less strike trouble. Unless something goes seriously wrong, observers feel 1948 will chalk up a postwar low for time lost due to strikes.

At the same time wages were never higher, and when this year's raises are all in, they'll be up several more notches. The third round pattern of wage increases is settled for steel at 13c.; the auto industry has offered 10c; railways are ready to give 7c but will likely offer something more to meet union demands of 35c an hour.

The price pattern for the rest of 1948 looks varied, with general trend upward. Chances for any early sizeable decline in the general price level have almost completely evaporated, although there may be something of a levelling off.

Forecast reductions in prices after removal of excise taxes are likely to be partially offset by increasing costs of production such as raw materials, freight charges, and fuel costs. Even heavy domestic supplies of fruits and vegetables will be counterbalanced by these advancing costs.

Meat prices hold an important key to the price outlook. Buyer resistance has produced lower retail prices, but if the U. S. embargo goes off, they can be expected to rise drastically again. Speaking of buyer resistance, the meat situation has demonstrated that the consumer still has at least one hand on the whip—and Canadian businessmen are wary of the situation cropping up in other lines.

Retail sales, on the upswing during the first six months, are expected to move even higher under impact of heavy autumn and Christmas buying. Retailers' profits may be the highest on record. The long-defunct pattern of seasonal fluctuations is showing up more and more in the 1948 picture. Special sale features are back again but not to the extent of prewar era.

Retailers' Inventory Holdings will look more and more like prewar days. Buyers are making purchases on the basis of demand; ahead three months instead of seven or eight. There are few signs that buyers are price-buying; it looks like a straight demand picture.

The Crop Forecast: Will this year's harvests bring an end to the world wheat shortage? Maybe; but it's still a touch-and-go situation. European and American crop prospects promise considerable relief for the tight

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Inside News

Challenge to Textiles

What's the score in textiles? Officials in the selling end of the industry are just about convinced the honeymoon is over, so far as they are concerned; that each company will have to work a lot harder, to keep its proportion of the consumer's spending dollar. The Financial Post surveys the Canadian textile picture, coast to coast (pages 17 to 28).

Stand Pat on Stocks

The present is a good time to sit tight on stock holdings, Compton's investment manager advises him. recent rises did not take stocks high enough to warrant any sales, and further purchases are not recommended until the market goes lower. Compton's original $10,000 investment at mid-December 1944, has a current market value of $13,795. Managed Investment (p. 5).

Socialism Weakens Unions

Socialism, in the saddle, undermines the authority of the Trade Unions which helped to place it there. This is strikingly illustrated in the London dockworkers' strike. In the present chaotic situation in England and abroad, Winston Churchill's stock is rising rapidly. London Calling, by Adelphi (p. 30).

How Reds Rule Czechs

Communism is in the saddle in Czechoslovakia today. The Reds charge that in the recent Italian election, "tremendous pressure" was brought to bear on the individual voter. But they deny there was any pressure in Czechoslovakia —"that was the will of the workers, gaining expression." A minister in the Zapotocky cabinet tells The Financial Post how the Communists gained power, and what they plan (page 13).

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End Excise Tax? 'News' to Ottawa

OTTAWA (Staff)—"If they say that, they know more than anybody else in the world."

That was the comment of a senior official of the Department of Finance on a newspaper story of this week which said that the special excise tax on a long list of consumer goods would be lifted July 24.

The Finance Department man, who is in a position to know the facts, added, "I can honestly say that I don't know anything about it. Both in the House and again outside the House, the Minister of Finance has denied such a scheme."

Merchandising men doubted the story on the basis that its timing would be "extremely bad. If anybody thinks of doing it then just as we've finished loading up and paying for our fall supplies, they ought to have their heads read."

'Hundreds' Move to Dodge Rent Hike But Most Merchants Pay Up and Stay

By CLIVE CHATTOE

Never in any remembered quarter have so many store windows borne the farewell sign: "Forced to Vacate."

In scores of major neighborhood or downtown business areas across Canada, shoppers for the family beef, boots or buttons in the last three months probably have wondered why so many storekeepers were moving.

Just how many have moved this spring nobody has stopped to count — not the Prices Board nor local district businessmen's associations, not municipal officials, property owners' groups nor real estate agents.

But most business groups and shoppers alike recognize the movement as the most widespread since business depression killed hundreds of such establishments 15 years ago.

What is it this time? Why, in prosperous 1948 are literally hundreds of butchers, bakers and barbers in major cities gone or going from familiar spots to less-desired locations or areas?

Delayed "Appreciation"

The answer is decontrol—aftermath last March of five years of rental ceilings while commercial property appreciated greatly in value but wasn't allowed to realize its gain in the market. Now, for storekeepers who paid prewar or early war rents while their business gross and net before taxes hit record highs, some of the economic chickens are coming home to roost. (The Financial Post, March 13 and 20.)

How many of these hundreds of "involuntary itinerants" are being actually put out of business, for the time being at least by landlords' decontrol rent demands? What proportion of the movers are shifting base unwillingly because they can't or won't pay rent increases levied at the old stand? How many have been almost literally kicked out—dispossessed by new or opportunist landlords?

Few Out of Business

The Financial Post sought the answers at W.P.T.B. rental administration headquarters and in seven key cities across Canada. Questioned were individual storekeepers, their district association headquarters, municipal, property and real estate groups. Their ideas, though fragmentary, inconclusive and in most cases not documented, are informative. No ready-made tabulations nor even close estimates of decontrol effect are available in any quarter. But here's the general pattern which emerges from individual city surveys:

1. Fewer than 1% of moving storekeepers are going out of business even temporarily be-

(Continued on page 3, col. 1)

Pace of Business

• **Industrial and paper stocks** are showing stronger tone on Canadian stock exchanges; base metals and western oils also narrowly higher. Golds on both Toronto and Montreal exchanges touched new 1948 lows in latest week. Market following "wait and see" policy watching New York for definition of trend.

Canadian cost-of-living jumped to new high of 154.4 during April, on DBS official index. However, rate of change shows signs of levelling off, with 1.1 increase (1.7 in April). Higher food costs are major contributing factor.

Visible Canadian wheat stocks in North America showed a June 17 total in stock or in transit of 50,113,015 bushels (52,726,754 bu. in previous week and 72,430,487 bu. at June 19, 1947).

Steel ingot production hit a new high during May with total production of 279,688 tons (254,315 tons in April, and 235,978 tons in May, 1947).

Department store sales, according to DBS sample, jumped 12.6% from May, 1947, figure of $44,618,158 to $50,260,582 in May, 1948.

New motor vehicle sales dropped again in May, with a total of 18,408 units at a retail value of $35,998,962 (19,007 at $36,164,998 in April and 19,105 at $33,467,905 in May, 1947).

Cheques cashed in May were 5.8% less than in May of 1947, totaling $6,445,560,134 as against $6,841,151,698 ($6,868,493,297 in April, 1948).

General wholesale commodity price index (1926 = 100) rose 1.5 points in May to 150.0 (148.5 in April and 125.7 in May, 1947).

Carloadings on Canadian railways for the week ended June 26 were 79,020 cars, a decline of over 1,800 cars from revised total of preceding week (79,065 cars in corresponding 1947 week).

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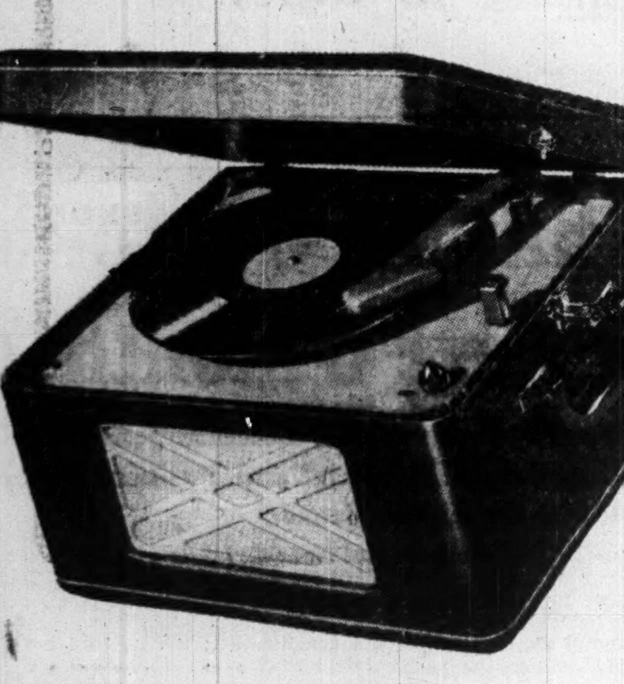

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Slim Hope Trade To Colonies Can Improve: Howe

Trade Minister Howe has told Canadian exporters they can't look for much early relief of their problems in selling to sterling countries

Said Mr. Howe:

"The most important long-term remedy for the shortage of purchasing power in the sterling area is probably the recovery of productivity and exports on the part of the countries concerned, notably the United Kingdom.

"With all the help that has been and may be given by others, including the ECA, this will take time, and in the meanwhile there is apparently no escape from the necessity of diverting some part of our productive and selling efforts from markets which are short of purchasing power to those which are in a better position to purchase Canadian goods."

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2-48

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

American Life Convention—J. Thornley Bowman, chairman, medical section.

American Library Association — E. S. Robinson (Vancouver), executive member.

Albion Lumber & Millwork Co. (Vancouver)—W. C. Taylor, member sales department.

Bank of Canada—E. T. W. Davies, agent, Saint John.

British Columbia Credit Union League—W. G. Ramsdell (Vancouver) president; H. L. Macro, (Power River), F. Filgiano (Vancouver) vice-president; Jean Archibald (Vancouver) secretary.

British Columbia Electric Railway Co.—Ivor W. Neill, general manager, mainland transit operations; S. Sigmundson, operations manager, lower mainland transportation; John Intihar, assistant to transportation operations manager; J. T. Turner, acting manager in charge of motor bus, trolley coach and railcar maintenance.

British United Press Ltd.—Hugh Baillie (New York) president.

Canadian Paper Trade Association—Kenneth W. Murphy (Toronto) president; Harry Miller (Vancouver) vice-president; Allan Napper (Winnipeg) treasurer.

Canadian National Railways — Chas. J. Dunn, superintendent yard and train service, western division (Winnipeg); W. G. Cunningham, superintendent, Portage-Brandon division; O. E. Berringer, superintendent, Winnipeg terminals division; G. F. Nelson, superintendent, Fort William division; Harry R. Robertson, superintendent, B. C. division; Roy A. Banner, assistant superintendent, Port Arthur division.

Canadian Forestry Association (Ontario Branch)—J. W. B. Sisam (Toronto) chairman; James Vance (Woodstock) vice-chairman.

Continental Auto Supply Ltd.—Arthur E. Fry, president; J. H. Palmason, a director.

Continental Dust Control Co. (Calgary) — Arthur E. Fry, president.

Canadian National Agents' Association (Central Region)—A. Audet, (Quebec), president; Harry H. Holmes (Toronto), vice-president.

Cockshutt Plow Co. — William Mackie, manager, Winnipeg plant.

Canadian Nurses' Association—Ethel Cryderman (Toronto) president; Evelyn Mallory (Vancouver) vice-president; Barbara Key (Hamilton), chairman private nursing duty committee.

Canadian Gas Association — Alex Mackenzie (Toronto) president.

Chartered Institute of Secretaries (London, Eng.)—Donald H. Forsyth (Montreal), a Fellow.

Campbell Motors Ltd. (Vancouver)—Wm. M. Campbell, managing director.

Dominion Government—Dr. John Convey, chief metallurgist, mines department; Harry James Horne, assistant trade commissioner, Oslo.

Eastern Trust Co. (Halifax)—Arthur H. Campbell (Montreal) a director.

Edmonton Lumber Dealers Association—Charles Clark, president.

Foster Advertising Agency Ltd.—Melville O. Johnston, member executive personnel, Toronto office.

General Accountants Association—A. J. Dolbec (Quebec) president; J. W. Parkinson (Montreal); J. M. McDonald (Halifax), F. W. Dollman (Vancouver) vice-presidents; John Rhodes (Montreal) secretary-treasurer.

Giffen-Oshkosh Co. (Toronto) — Gordon L. Bell (Cherry Valley) a director.

Goodyear Tire & Rubber Co. of Canada—Wm. E. Ecclestone, assistant manager, Central Ontario division.

Imperial Bank of Canada—C. R. Blakley, manager, Mount Dennis branch.

Imperial Oil Ltd.—W. S. Flewelling, regional purchasing agent, Edmonton.

Italian Government—Mario di Stafano, ambassador to Canada.

Institute of Chartered Accountants of Nova Scotia—H. A. Renouf (New Glasgow) president.

James Morrison Brass Manufacturing Co. (Toronto)—J. L. McSweeney, president; G. R. Gardner, works manager and a director.

J. H. Gould Ltd. (St. Thomas)—Chris Botter, store manager.

Lorne St. Clair & Co. (Windsor)—Malcolm G. McCarthy, vice-president, and director, retail sales.

Master Furriers' Guild of America— E. Shipley Birrell (Toronto) a vice-president.

Mexico Light & Power Co. — C. E. Finley, a temporary director.

Manitoba Government—Dr. J. Donald Allan (Edmonton), chief geologist, Department of Mines.

Minnesota & Ontario Paper Co.—Leo C. Monahan, administrative assistant to Insulite sales manager (Minneapolis); M. H. Williams, assistant sales manager supervising eastern field operations (New York); C. H. Tiger, upper New York State territory representative.

Miss Brown's Cleaning Service (Montreal)—Harold W. Linstead, general manager.

Montreal Locomotive Works—J. E. L. Duquet, a director.

Montreal Shipping Co.—Harold E. Skully, Toronto manager.

McColl Frontenac Oil Co. — G. D. Macnab, district manager, Saint John.

McGill University—Prof. H. N. Fieldhouse, dean of arts and sciences.

Mortgage Loans Association of Alberta—E. G. Lamb (Edmonton), president.

National Association of Master Plumbers & Heating Contractors—M. V. Anderson (Calgary), president.

National Committee of Commercial Travellers — Daniel P. Hatch (Montreal), chairman.

National Thrift Corp. (Halifax)—H. R. Doane, a director.

Nova Scotia Pharmaceutical Society—E. D. Hines (Bridgewater) president; D. R. McLeod (New Glasgow) vice-president; G. S. Kinley (Halifax) secretary-registrar; E. A. Manson (Sydney) treasurer.

Peat, Marwick, Mitchell & Co. (Montreal)—Frank T. Denis, a partner.

Perth Mutual Fire Insurance Co.—Sidney L. Ireland (Toronto) manager.

Pharmaceutical Association of British Columbia—Chas. H. Allison (Quesnel) a council member.

Superior Electric Supply Co. (Toronto)—G. T. Roach, sales staff member.

Retail Credit Institute of America—Bertrand Gerstein (Toronto) a director.

Retail Hardware Association of Quebec—J. O. Roberge (Drummondville), president.

R.O.P. Poultry Breeders' Association of Alberta—W. E. Hughes (Oliver) president; P. Tuininga (Neerlandia) vice-president; E. Triska (Edmonton) secretary-treasurer.

Rotary International — Jos. A. Caulder (Toronto), chairman Canadian advisory committee.

Royal Bank of Canada—K. Mackenzie, supervisor Nova Scotia and Prince Edward Island branches.

St. Regis Paper Co.—H. V. Hart, general manager, pulpwood operations, printing, publication and converting division.

Society of Obstetricians and Gynecologists of Canada—Dr. J. Ross Vant (Edmonton), president.

Toilet Goods Manufacturers Association—F. L. Jackson (Montreal) president.

United Nations Correspondents Association — Walter O'Hearn (Montreal), executive member.

William Davidson Ltd. (Montreal)—Wm. Davidson, chairman of board; J. S. Hoag, managing director; F. W. Hammond, director and secretary.

William P. Wolfe Organization—Mrs. R. V. Stephens, manager Toronto office.

PRICES

(Continued from page 1)

grades of brass ingots advanced ½ to ¾c lb.

Zinc prices, meanwhile looked ready to make a jump of 1½ to 2c lb.

Secondary aluminum ingot jumped daily as much as 2c lb., reaching a level of 23c lb., 7c in excess of price for primary aluminum ingots. As the aluminum market got out of hand, worried manufacturers blamed steep scrap prices on heavy demand for remelt aluminum, and shortage of the primary product.

Platinum price cancellations didn't last long. Price reductions of $13 an ounce (The Financial Post, June 26) were cancelled this week by decreasing supply and new demand. Price returns to $88 an ounce for bulk quantities and $91 an ounce for retail lots.

Steel prices continued to hold the line. But it was only a matter of time, as steel companies refused pay jumps to "captive" coal mines.

Look For It Here

July 10, 1948

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Subject to prior sale or withdrawal, W. H. Bosley & Co. invites offers for the purchase outright of the owner's right, title and interest in the lands and industrial buildings located at Deseronto, Ontario, formerly known as the Dominion Match Building, Mechanic and Main Streets, and more particularly described as follows:

Lands

North side of Main St. lots 5-6-7-8, Lots 11-12-½ of 14-15 in Block P, 19-20-25-26, 27-28 Block P, 23 acres in Block P, 6½ acres west part of Block P, and 4.62 acres water front lots.

Buildings

The buildings erected on the above lands are: Building No. 1—4 storeys, 60'6" x 125'; Building No. 2—2 storeys, 25'4" x 36'; Building No. 3—2 storeys, 65'10" x 101'8"; Building No. 4—2 storeys, 27'4" x 67'10"; and smaller buildings of frame and other construction.

All data contained herein is necessarily abbreviated and subject to correction.

W. H. Bosley & Co., as agent for the owner, reserves the unqualified right to reject any or all proposals.

Buildings may be inspected the week of July 11th, 1948.

Offers should reach the office of W. H. Bosley & Co., at the address given below, accompanied by a certified cheque in the amount of 25% of the offer not later than 4 P.M., July 26th, 1948.

Industrial Department
W. H. BOSLEY & CO.
28 Adelaide St. West, Toronto, Ont.

Here's How Business Sees Last Half of This Year

(Continued from page 1)

wheat supply situation of the last two or three years.

But bad weather could easily upset that balance, and in any case Europe will need considerable imports.

The Canadian outlook is not as favorable as that of the U. S. or Russia. Wet spring delayed seeding in the West, then came the June drought and finally extensive grasshopper damage. Unless next few weeks bring particularly suitable weather, an average crop cannot be expected, except in Manitoba.

Australia and the Argentine report excellent weather to date, and Russia expects to export spring grains to several European countries.

The situation adds up to a softening of wheat prices in U. S. and Canada (for export to countries other than U. K.) as a result of lessened European dependence on North American supplies.

It promises to be a bumper year for Ontario fruits. Latest estimates put the peach crop at about 20% greater than last year's 1,078,000 bushels; strawberries at 7,600,000 quarts or 24% better than 1947; apples at 20,000 barrels better than last year's 495,000. Pears are the only black spot; an estimated 180,600 bushels or 53% less than 1947.

Capital expansion, "the heartbeat of economic activity," will ride high in the last half of '48. Official estimates of capital intentions reveal an expansion program for the year of approximately $3 billions as compared with the actual figure for 1947 of $2.4 billions. Causes may be attributed to higher prices, increased volume and the new self-dependence inspired by Ottawa-born import regulations.

Construction leaders foresee continuation of housebuilding's reborn boom, say present high levels of capital spending also seem likely to hold strongly.

Expected for 1948 is an all-time record level of business for the industry as a whole, both in value of new contracts and in physical volume of work carried out. Contract total for the first half-year is close to $490 millions or about 48% higher than a year ago. Most building men are betting on something like an $850 millions contract year against 1947's $718 millions, 1946's $663 millions and $580 millions for the 1929 historic peak.

The Canadian banking system enters the second half of 1948 with savings deposits at a record high level of almost $4 billions as at April 30, 8.6% above last year: loans of $2,005 millions, up 16.2%; and bank's cash down about 1%. Interest rates are a shade higher than they were, and lending policy while normal as regards ordinary commercial loans to wholesalers and manufacturers is somewhat restricted as regards loans for capital expansion.

Canadian banks are watching credits closely because of high prices. Loans, while well above last year's level, are down substantially from the $2,157 millions outstanding at the end of Nov., 1947.

Recent increases in savings deposits to new high levels have surprised bankers, who attribute them to high levels of employment, high wages, and in some cases shortages of goods.

Governmental policy changes look to be in the offing, as the over-all balance of trade becomes more favorable and supply of U. S. dollars continues to grow. Such changes likely to occur in at least partial removal of excise tax, lifting of the cattle embargo to U. S. Inflation controls don't look very near but partial controls might be established if situation gets too bad.

Stock markets: Industrial stocks should capitalize earnings on higher basis before year's end. No old-time wild market is expected, but rather a slow upward movement. Opinion is by no means unanimous; some investment men still look for a bear market.

At the moment investors are giving a good many bids just under current market levels for stocks. If they get tired waiting and decide to invest, a bullish trend would be the result.

The mining situation: With world demand far exceeding available supply of the common nonferrous metals, copper, lead, and zinc, and nickel demand also taxing available supply, the last six months of 1948 will again find the Canadian base metal mining industry endeavoring to break past production records. Earnings stand a good chance of reaching record. ECA purchases and U. S. strategic mineral stock piling will bring relatively stable metal prices upward, most authorities agree.

For gold mining the prospect continues to be one of "profitless prosperity." Increases in production in most cases will not be accompanied by proportionate profit increases.

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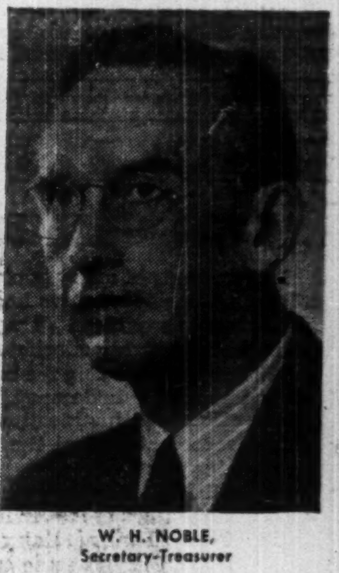

W. H. NOBLE,
Secretary-Treasurer

Announcement is made of the purchase by Canadian interests of Allbright Products Co. of Canada Limited, and a change in name, to Allbright Corporation of Canada Limited. Offices and factory are located in the Corporation's new Plant at 1315 Queen Street East, Toronto 8. The Corporation manufactures a complete line of All Metal and Plastic Flashlights, Novelty Lights, Premium Items and Cigarette Lighters.

*

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Simpson's
TORONTO

THE STORE FOR MEN — STREET FLOOR

How Rent Increases Affect Stores Across Canada

(Continued from page 1)

cause of decontrol rent demands (there will always be a proportion of businesses failing in good or bad economic weather);

2. Perhaps half to two-thirds of the movers are doing so in search of lower rents — rental overhead which assures them of a "safe" margin, despite possible reduction in turnover;

3. About one third to half are moving because new or established owners insist on possession either for themselves or preferred tenants.

The Rentals Administration no longer has any directive powers over stores. But the parent Prices Board has power to prosecute under its "unreasonable and unjust" order-in-council and at the time of decontrol promised court action in any substantiated instances of exorbitant increase.

Owen Lobley, of Montreal, Canada's WPTB Rentals Administrator, put the number of hardship cases throughout Canada at an "infinitesimal" percentage of total storekeeper-tenants. He did not reveal the volume of complaints reaching headquarters nor indicate that anything was being done about them.

Here's the city-by-city picture:

Vancouver — Over 100 storekeepers have moved to second-choice locations in the second quarter of 1948 (first quarter of commercial rent decontrol), according to informal estimates by leading real estate firms and district associations of retailers. Most of the movers, it is suggested, decided to do so when landlords upped their rent from 80% to 150% on average; most apparently felt their net return at the old stand wouldn't support so great a rise in overhead.

This volume of rental space turnover, the same sources agree, is at least five times that of the three months just before decontrol and "very much" greater than in any remembered quarter since the depression rash of business failures in the early 1930's.

But there have been no prosecutions by the Prices Board for excessive or unfair rental increases; this despite filing of a substantial number of complaints. Formula here seems to be — "fight, but not too hard nor long."

Most of the 100 or so recent Vancouver store movers are small shopkeepers in new business districts which have grown up near the main central shopping area in the last ten years.

City license inspectors report that 15 stores in the downtown shopping area recently have applied for licenses to hold closing-out sales. Some of these were small clothing shops "which weren't doing too well anyway."

With those few exceptions, there are no reports of "going" retail businesses being forced to close by landlords' new rent demands. Moves in many cases have been because the property had been bought before decontrol — often by another retailer but also by property speculators — in anticipation of income appreciation.

J. H. RATCLIFFE

of Toronto, has been named payroll savings director for Ontario, in the third series of Canada Savings Bonds, to be issued next autumn.

In most such cases, the new owner demanded possession, rather than higher rents. Three downtown stores are "temporarily forced out of business" because other tenants are taking over the properties as owners.

Though rent hikes asked of the 100 or so who moved may have averaged 80% to 150%, no such range appears to represent the whole picture of rental increase here since decontrol. Real estate agents are virtually agreed that about half of all rented store properties in Vancouver are now paying rents substantially higher than three months ago and that the over-all increase averages something like 50%. Only in isolated cases where rents were ridiculously low in relation to trade volume of the 1940's, according to competent observers, were rents boosted 300%.

"Best feature" of the rent boost is the amount of renovation under way. A big proportion of stores changing tenants are getting new fronts and interior fixing with, in most cases, the landlord paying the shot. Landlords mostly had refused to do anything at controlled rents.

* * *

Calgary — No reliable estimate of number of store moves attributable directly to rent increase following decontrol. Most store tenants have long-term leases with an average of better than two years to run—many took out five-year leases one or two years ago, many others two-year leases a year ago. Rental increases then ran between 50% and 100%.

Tenants in the main have absorbed rent hikes in the three months of commercial property freedom from controls. Random examples: Millinery, 44%, to $225 a month; florist 65%; hardware 100% to $130; women's clothing 38% to $450; men's clothing 105% to $195.

Indications are that some of the larger professional rental agents are not demanding major increases — that individual or private landlords have taken biggest advantage of rent decontrol. Crown Trust, for example, handling an outstanding volume of commercial rentals in Calgary, reports "all tenants" accepting a 25% rental boost and five-year lease; only a restaurant and ladies' wear store "forced" to move.

It is understood that while there have been many verbal complaints to the local WPTB office over rental increase demands, few complaints have been put in writing, and in no case has formal investigation been launched by the Board.

* * *

Edmonton — Complaints from tenants few; many still under two-year lease terms, having accepted rent increases before decontrol. Most of recent increases in store rents under 50% and little moving in evidence. One retailer is said to have had a rent boost in recent weeks from $250 to $350 a month, or 40%, and to be considering a move to cheaper quarters. but his case apparently is not widely paralleled here.

General feeling seems to be that Edmonton commercial landlords have been reasonable in revaluing rental space over 1942 "freeze" levels. Even in office space, which is at an even greater premium than stores, the landlords haven't "gone whole hog" in their rental demands.

* * *

Regina—When it was announced by Ottawa that commercial rent controls were being lifted, March 8, Saskatchewan's CCF government stepped in and said that where increases were being asked which the tenant couldn't pay or considered unreasonable, he had the right to appeal to a provincial mediation board, believed Canada's only civil panel setup arbitrating commercial rent disputes.

Since then, the Saskatchewan Board has heard 60 such appeals, 34 of them from Regina, the rest mostly from other substantial communities. So far, board officials say, no retailer has had to go out of business as a result of rent decontrol. The Board has the power to declare a moratorium but so far hasn't used it. "Time has settled all cases amicably," the chairman said.

When rent control went off, some asked-for increases were high. A ladies' wear shop which had been paying $65 a month was asked $250. In this case a compromise was reached whereby the landlord took over half the store space, left the rent as it was and gave the tenant 14 months to find a new place. A barber in a hotel who paid $30 was told his new rent would be $85 but, through intercession of the Board, was allowed to remain until he could find a new location.

Some 34 retailers have had to, or will have to, move because of higher rents, according to Mediation Board officials. But, they add, not one in the province has been forced out of business.

* * *

Toronto—Abnormal recent rise in turnover of long-established retail stands is reported by district associations of storekeepers. They attribute "the biggest moving day in 15 years" to (a) property sales-with-possession since last summer in anticipation of commercial rent decontrol this spring, and (b) rent increases demanded since rents actually were freed.

But no organization — not the two national associations of retailers, not WPTB's rentals administration nor even the subdistrict business groups most concerned — has yet got down to counting cases or, weighing effects.

The Financial Post's own spot checkup discloses little evidence that any substantial number of small businesses have been forced to the wall by rental increase since commercial property was decontrolled in March.

True, there is the authenticated case of the Gerrard-Coxwell district grocer in business there for many years at $90 a month, and suddenly upped 190% to $260; he couldn't reconcile that big a hike in overhead with expectable turnover and profit; couldn't get another store and now is at least temporarily out of business.

But such a situation appears to be a relative rarity. Not even the Beaches tailor who was "forced" out of his store and recently began conducting business temporarily in his home, affords a typical example of Toronto experience. Most storekeepers faced with "too sharp" rent increases have either paid up after some argument or moved to a second-choice location.

* * *

Montreal — Between 5% and 10% of total small retail establishments, according to consensus in property circles, have moved as a result of decontrol rent hikes.

No one has organized any kind of group protest. One lawyer sent out 300 letters asking tenants what complaints they had and what arrangements they'd been able to make; only 40 replied and, of those 30 said they'd been obliged to move or "get out of business." This compares with thousands of signatures from Montreal storekeepers sent to Ottawa in protest just before decontrol.

Of those forced to move, it is said a majority had been given no choice; i.e., were given notice by new or old owners wishing to take possession for their own or other purposes. Most estimates put the proportion of storekeepers actually forced out of business by the combination of risen values and sudden decontrol at under 1%.

Rents over-all have been boosted an average of about 40%. However, in "growth" areas and other high preference and high appreciation centres — such as Snowdon—the average boost has been well over 100%, with 200% increases not uncommon.

* * *

Halifax—No business forced to close out by rental boosts. Most tenants expected increase — Finance Minister Abbott warned of decontrol last June and again in October—and were more or less prepared to pay it. Increases ranged 25 to 50%, according to real estate and property sources.

THE ADVERTISING BUSINESS

Ad and Sales Clubs Plan National Essay Contest

By WALLACE GILLESPIE

The Canadian Advertising and Sales Federation, representing 5,000 members in 22 clubs across the Dominion, can add up these conference results after its two-day meeting in Toronto last week:

1. Approved idea of a standardized course in advertising for use across country wherever ad-sales clubs operated, and appointed committee under chairmanship of G. Alec Phare, Toronto, to thrash out details.

2. Approved institution of a national essay contest, in which local clubs will award prizes to high school students who write winning essays on advertising and selling topics and CASF will award grand prize to one judged best in Canada. By this means, CASF hopes to stimulate student thinking on the role of advertising and selling in an expanding economy.

3. Reorganized CASF financing arrangements by voting "sustaining membership" to six nationally known firms which have agreed to chip in for Federation's budget.

4. Presented awards to Sales and Advertising Club of Winnipeg for achievement under heading "Club Progress" and to Advertising and Sales Club of Kitchener-Waterloo under heading "Vocational Guidance."

5. Received suggestion in report of Retiring President Hall Linton (Toronto) that ad-sales clubs should devise means of defending "our way of life" from attacks currently made upon it.

6. Elected Lyn Baker of Ottawa (Moore Business Forms Ltd.) president; Harold A. Plant, Winnipeg, first vice-president; Glen MacKay, Montreal, second vice-president; Cecilia Long, Toronto, secretary; and Lee Tremholm, Toronto, treasurer.

7. Heard appeal of delegates of The Advertisers' Guild, Toronto, to make the achievement of standards of "truth in advertising" a major ad-sales objective.

8. Listened to report of W. Arthur Irwin, editor, Maclean's Magazine, on "What I Saw in Europe"; were told that political trend to right is currently evident "thanks to the Russians" whose actions ensured passages of Marshall Plan and fostered Western European unity.

9. Got a generally affirmative answer from Robert H. Reid, vice-president and managing director, London Life Insurance Co., on luncheon topic: "Does business demand a college education?"; were told that complexities of modern business were turning many companies toward universities for selection of future leadership material; received a résumé of steps recently taken to form graduate School of Business Administration at University of Western Ontario.

10. Welcomed new clubs in St. Catharines and Guelph to membership; heard of progress made on getting clubs started in Calgary, Saskatoon, Moncton, Kingston and Halifax.

It's Your Money

BY BRUCE MACKINNON

Maclean-Hunter Editorial Research

One of the least satisfactory aspects of present government finance is the way in which Parliament fails to watch the taxpayer's interest.

Here is the score in a typical case, the discussion on postal estimates. There were 21 members, from all parties, contributing in a major way.

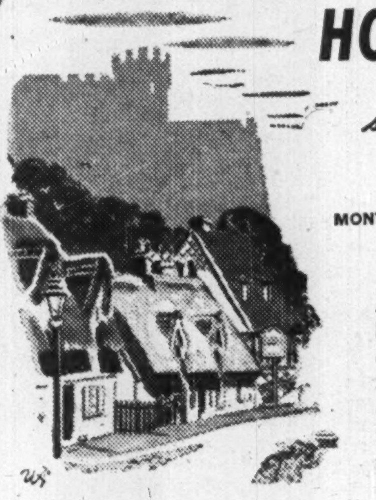
Among these speakers, four made requests for a reduction in revenues, 12 urged higher pay for postal employees, six requested more or better buildings, five asked for extended service.

Only two speakers urged economy.

New St. Lawrence Plan Recommended by Mayr

In a letter to Class A preferred stockholders of St. Lawrence Corp. Joseph Mayr, chairman of the protective committee of Class A stockholders, recommended the amended plan of St. Lawrence Corp. be approved.

Mr. Mayr stated that his committee viewed the amended reorganization plan as representing the best terms obtainable from the point of view of the existing Class A shareholders. This committee also emphasized that any plan of reorganization must receive not only the approval of the Class A shareholders but that of the common shareholders as well.



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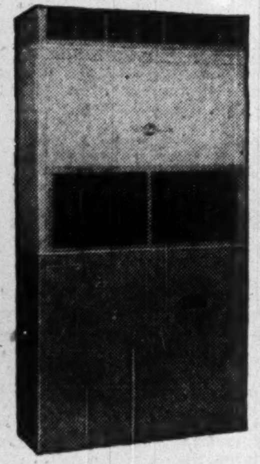

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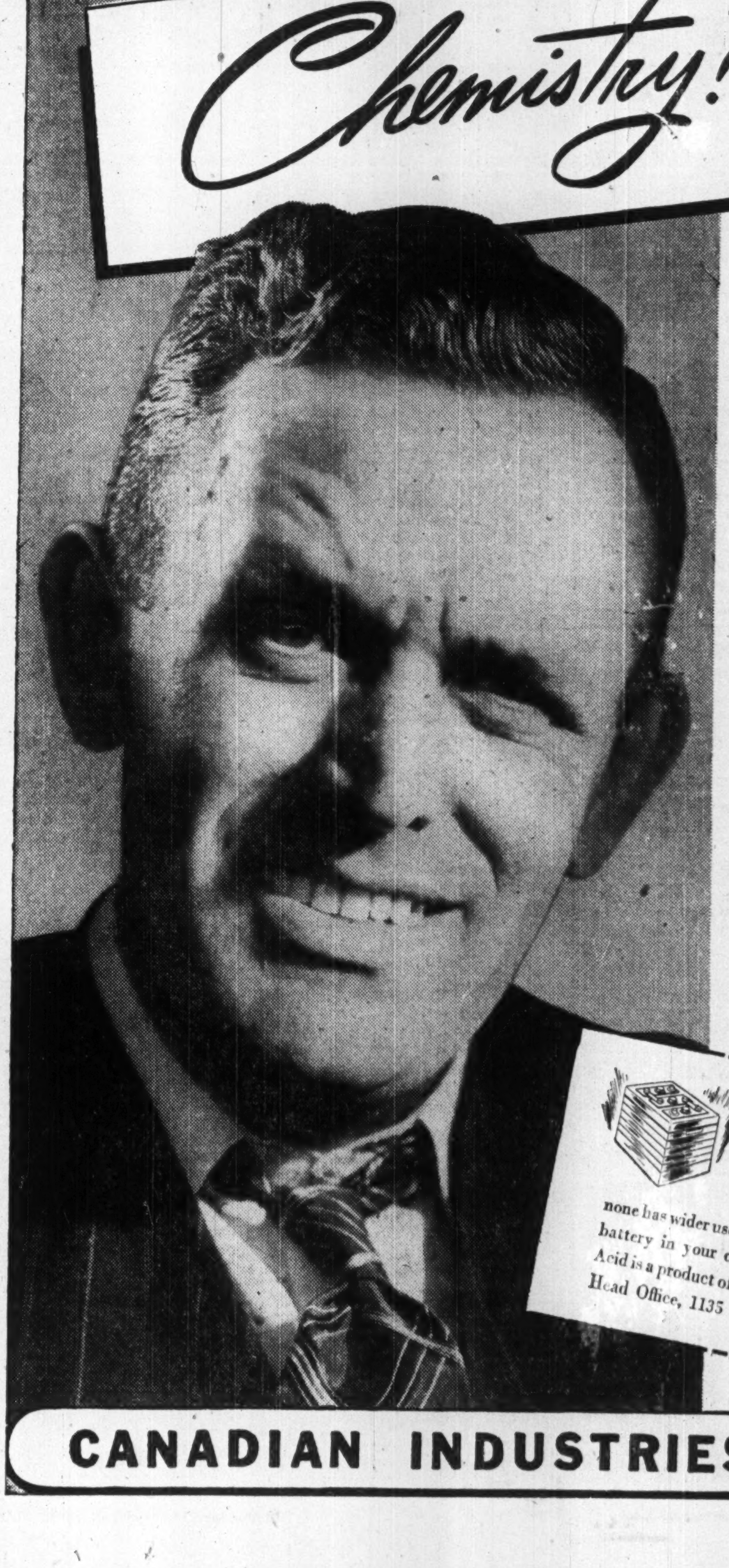

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Record Textile Operations Attract Investor Interest

Continued record operations and earnings in the Canadian textile field have been attracting the attention of an increasing number of investors to selected issues in that industry. Earnings potentialities of the chief textile companies appear to have jumped substantially, with removal of subsidy and price controls.

Despite evidence of increasing consumer resistance to high prices, a survey of several important companies in the woolen and worsted, cotton, and rayon fields reveals dollar sales and profits running somewhat higher even than last year. Currently austerity restrictions against imports of U. S. rayon and cotton fabrics, coupled with slowness of the United Kingdom to get back into a strong competitive position, has helped maintain demand for domestic-made goods at record levels.

The textile industry has always been one of the first to reflect a period of high national income. Per capita civilian consumption of woolen, cotton and rayon fabrics reached a new high in 1947. Compared with 1938, for example, Canadian per capita consumption of cotton fabrics was up 52.3%, woolen fabrics up 53.1% and rayon fabrics up 106.6%.

Almost every major company has modernization programs under way, with a view to further plant economies for the sharper competitive era ahead. Textile officials see high demand for rayons and cottons continuing well into 1949, with a possibility of increasing U.K. competition shading woolen and worsted production down earlier. Removal of austerity import restrictions against United States would usher in the important testing period. At the moment, however, domestic prices, particularly in most cotton goods, woolens and worsteds, commands an advantage over both U. K. and U. S. prices for corresponding lines.

From the March 18 market low-point, the Dominion Bureau of Statistic textile stock index has climbed back approximately 23%, as against an 18.5% recovery for the entire DBS stock index.

* * *

Annual Reports

A unique idea in presenting its annual report to employees was tried by ATF Inc. a U. S. firm. Attached to printed financial reports, specially prepared for the employees and graphically illustrated to show different phases, was a small phonograph record, containing a message from the president. These reports were mailed to the employees' homes.

When the idea was conceived, a survey was made in a typical ATF plant to see if employees had facilities for playing the discs. It was found 82% of the employees owned record players or had ready access to them. The company expected most of the remaining 18% would be able to find a neighbor with a machine.

* * *

Dominion Textile Co. report for the year ended Mar. 31, 1948 contains an interesting and useful summary of conditions regarding prices, tariffs and demand vs. supply for the industry. This is helpful not only to shareholders but also to anyone wishing information on the problems facing the cotton goods industry. Three pages are also devoted to describing "employee affairs."

* * *

Ingersoll Machine & Tool Co. 1947 annual report, in a chart showing the combined distribution of 1947 income dollar, gives individual figures for the parent company and for its subsidiary, Morrow Screw & Nut Co. as well as the total. This is helpful for shareholders. Of the combined income dollar, 34.9% goes to cost of materials, 34.7% to wages and salaries, 13.7% to other expenses of operation, 7.2% income and municipal taxes, 2.2% to depreciation and 1.9% is paid in dividends to shareholders, with 5.4% retained in the surplus account.

* * *

Show Reasons For Increase In Cotton Goods Prices

Reasons for the increase in recent years in the price of a typical yard of cloth are demonstrated by Dominion Textile Co. in a chart in its annual report. The chart has a column, the height of which is in proportion to the average selling prices of 16 lines of cloth produced by the company for the years 1934, 1941 and 1948. Each column is then broken down in the same proportion which the various items represent or bear to the total cost of the company's sales in those years. This chart shows:

	—One Yard In—		
	1934	1941	1948
Raw material & supplies	7.8	7.5	21.4
Labor	4.2	4.2	7.2
Mfg. & other expense	3.6	3.2	6.0
Income taxes	0.3	2.3	1.2
Profit	1.4	0.8	1.2
Total	17.3	18.0	37.0

The amount received by the company in profit per yard is down slightly from that received in 1934, despite the increase in selling price to over double its previous figure.

* * *

N. Y. S. E. is Investigating Listing Foreign Stocks

The New York Stock Exchange has been looking into the question of listing stocks of companies operating in other countries. In reply to an enquiry by the Financial Post regarding the possibility of more Canadian stocks being listed on the N.Y.S.E., Vice-President John Haskell states:

"Since the end of the war, the Exchange has given a good deal of thought to the matter of how its facilities might best be utilized to contribute to international financial reconstruction, as well as to serving the needs of our own domestic economy. In this connection, studies have been made of the potentialities and problems in connection with the listing of stocks of leading foreign companies.

"Although we look on the problem as it affects our Canadian neighbors in quite a different light from that that exists overseas where the common ties of language, financial procedure, accounting terminology and law are not so close, we, of course, have included Canada in these studies.

"As you know, we have a considerable number of stocks of outstanding Canadian companies now listed on the Exchange. I believe that there are undoubtedly other issues of a similar character that could be listed in the future, when their managements see fit. It would be difficult if not impossible, to find another country where the fundamental economic and technical conditions are more favorable from the point of view of the public United States investor. It would seem that, through listing on the New York Stock Exchange, a further reservoir of equity capital would be made available to Canadian industries, and in this way, a service would be performed to the Canadian economy as well as to the United States and Canadian investor. From the point of view of your people engaged in the securities business and the members of our Exchange, such mutual listings and reciprocal business should prove mutually advantageous."

* * *

"A Realistic Price Policy" Advocated By Howard Smith

Following its recently announced increase in the price of its fine papers Howard Smith Paper Mills has sent a message to its customers entitled: "A Realistic Price Policy."

In it, Howard Smith says that since the paper business is one of large volume with a low rate of profit it is sensitive to changes in costs. "That is why we have been forced to announce price increases; two of them since the first of this year," the message reads. It goes on to explain that the first increase was due to an increase in pulp prices and the second to increased costs of miscellaneous raw materials, labor and freight rates.

"We believe that in the long run a realistic pricing policy in which prices are a reflection of actual costs is best for all concerned," the company states.

L. F. WORSLEY

of Vancouver has been named payroll savings director for British Columbia, in the third series of Canada Savings Bonds, to be issued next autumn.

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North Inca Drift Starting on 200

Drifting on Nos. 1 and 3 veins on the 175-ft. level at North Inca Gold Mines is getting under way immediately, President W. J. McDonough advises on his return from the Yellowknife property. The shaft was completed to depth of 200 ft. in rapid time of 31 days and west crosscut well advanced to intersect the Nos. 1, 2 and 3 veins, all closely spaced in the "A" shear zone.

A heavy drill has been set up in a station crosscut to cut the Main shear zone under the lake to the east at depth of 600 ft. vertical below the level.

Expect Bond Offering Soon Col. Cellulose

MONTREAL (Staff): With construction of Columbia Cellulose Co.'s new pulp mill now under way, details of financing are expected soon.

Unofficial reports say the company plans to sell $20 millions of bonds, of which $15 millions will be first-mortgage bonds and $5 millions 5% general mortgage bonds. Of the first mortgage bonds, it is understood $5 millions will be 10-year serials, the balance 4½% 17-year bonds. These reports say the bonds will not be guaranteed by the parent company, Celaneses Corp. of America. Uuderwriters will be Nesbitt, Thomson & Co. and Wood Gundy & Co.

Clearing of the site for the high alpha pulp mill has been completed and erection of the mill will start immediately. Representing an ultimate investment of over $30 millions, construction of the mill is prompted by an increasing scarcity of pulp cellulose, it is said.

Columbia Cellulose Co. has been granted a forest tract by the B. C. Government, which is expected to supply pulpwood in perpetuity for mill operations. The timber area extends north of Prince Rupert and includes watershed areas of the Skeena and Nass rivers. The mill will be on Watson Island, eight miles south of Prince Rupert. The mill will have an excellent deep-water wharfage and transcontinental railroad and highway facilities, it is said.

It is expected that, when in full production, employment will be given to over 1,000 men in woods and mill operations. The plant will have a capacity of 200 tons a day of highly purified cellulose and is expected to be in full operation in about two years. Celanese Corp. of America will take the full production.

Mexican Light To Finish Plan In Four Years

The $60 million construction program of Mexican Light & Power Co. should be completed within next four years, G. S. Messersmith, chairman of the board, told shareholders at the annual meeting.

The Government of Mexico has shown appreciation and understanding of all the factors involved in carrying through the program which makes necessary reasonable and proper earnings of the system, he added. It has fostered studies by the Federal Power Commission of Mexico and by the company in order that the plants and other installations necessary for development of the country may be available as needed, and the financing thereof assured, he said.

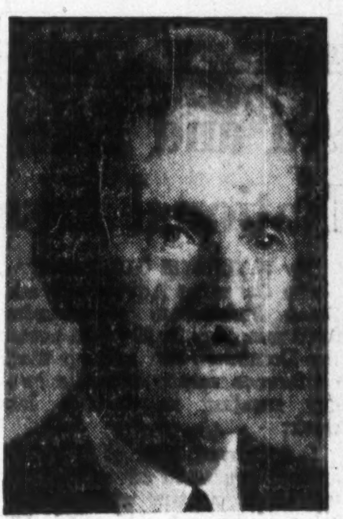
The company at present faces many serious problems. One of the first difficulties to overcome is the shortage of all kinds of electrical equipment and overburdening of the producing facilities for such equipment, and the necessarily longer deliveries. The carrying through of the company's program means placing orders as soon as possible.

Even more difficult is the problem of raising the necessary funds to finance the program. Of the $60 millions, it is estimated that about half will be required to buy materials which must be imported into Mexico; the other half for peso expenditures. The company is negotiating with the International Bank for Reconstruction & Development, for a loan to cover financing of the outside-Mexico purchases. The Mexican Government has agreed to guarantee this loan.

"I have been in Washington for the last few weeks discussing with the officials of the International Bank the application for the credit which the company is seeking and I am hopeful that I will soon be able to make a further report on this subject," Mr. Messersmith said.

The new collective contract entered into with employees, effective May 1, 1948, places additional expense on the company which must be compensated, he said. Applications have been made for adjustment of the company's tariffs.

C. E. Finley was elected a temporary director, replacing A. P. Holt. Other directors were re-elected.



ARTHUR H. CAMPBELL

president of Campbell, McLaurin Lumber Co., Montreal, has been elected a director of the Eastern Trust Co., Halifax.

Page-Hersey To Build New Weld Pipe Mill

Directors of Page-Hersey Tubes, Ltd. have approved the erection, as soon as possible, of a new electric weld pipe mill of special design to replace the company's present lapweld mill at Welland, Ont., the company announces. The lapweld mill has been in operation since 1910.

The new mill will increase capacity and give greater flexibility in production, lower costs and a wider range of sizes and lengths of pipe and oil country goods than had previously been produced. The electric weld pipe will enable the company to participate to a larger degree in the pipe requirements of the oil and gas industries, it is stated. It is scheduled to be in production by October, 1949.

It will not be necessary for the company to assume the heavy additional expenditures essential for auxiliary equipment, finishing, threading, testing and storage and shipping which such a change-over would ordinarily entail, it is stated. The lapweld finishing department, with machines of latest design, can take care of the output of the new electric weld pipe unit.

"Your directors realize that the cost of capital equipment is very high at the present time but the demand for special pipe for oil and gas exploration, development and transmission in Canada are of paramount consideration and must be met at the earliest possible date," the company states.

The new machine shop is now in operation but the pipe coating department which was to be completed by May, 1948 is not expected to be in operation until early August.

Say New Control Enhances Outlook Of Robinson, Little

Hunter Ltd., Winnipeg, a holding company recently formed to acquire control of Robinson, Little & Co., Winnipeg (The Financial Post, May 8, 1948) is controlled by a group affiliated with Gamble-Skogmo, Inc., of Minneapolis, Minnesota, U.S.A., Herbert J. Sadler, secretary-treasurer of Robinson, Little advises shareholders.

Gamble-Skogmo, Inc. has assets of over $60 millions, has over 500 company-owned stores and over 1,700 dealership contracts with independent merchants. Its 1947 sales volume was over $145 millions. This company also owns outright Macleod's Ltd. of Winnipeg.

"As a result of the change in control, your company will have access to the experience and methods of these companies," Mr. Sadler states. "All their research, merchandising and salesbuilding techniques will be available to us. The prospects of your company have been greatly enhanced and, taking a long-term view of the situation, we feel that it is destined to become one of Canada's most successful concerns."

Stanley Windle has resigned as president and general manager, effective not later than Aug. 31. His resignation is due partly to reasons of health, and to give the new interests complete freedom of action. No successor has been selected yet.

Referring to the special dividend on common shares, Mr. Sadler states, "Future dividends on common shares will depend on future earnings and progress of your company."

'Dollar Saving' May Bring $5 Million Export Business

Another dollar - saving "branch plant" deal for Canada whereby the Canadian firm gets the U. S. firm's entire export business in some lines, is announced.

Parker Pen Co., Toronto, will process and assemble products of the jewelry division of Wadsworth Watch Case Co., Dayton, Ohio — mainly compacts and cigarette cases.

Wadsworth's export business in these items is stated at $3 millions to $5 millions a year; domestic sales at $500,000.

The arrangement, according to Parker Pen's president, R. O. Pennington, was "considerably influenced" by the dollar-conservation program (since the items to be processed are affected by import regulations) and was made possible by an expansion program laid down by the company a year ago.

At that time, a new factory was built at London, Ont., to manufacture ink, and with the intention of adding to the firm's lines of plastics products. The Wadsworth deal fits in with this expansion program and as a result, jobs for another 100 workers will be created by September.

The arrangement is the first processing franchise agreement entered into by Wadsworth. The firm will continue to handle its business in watch cases for leading U. S., Canadian and Swiss-imported watches directly.

Hear 2 Plans To Reorganize Brown Co. Near

MONTREAL (Staff) — Activity in the preferred stock of Brown Co. early this week was accompanied by reports that further progress had been made on plans for capital reorganization.

According to these reports two tentative plans had been worked out. Plan 1, is said to call for existing 6% cumulative convertible $100 par preferred stock to be replaced by $1 cumulative convertible $20 par preferred, callable at $21; the new preferred to be convertible on the basis of two common shares for each preferred.

Under this scheme it is understood holders of present preferred would receive five of the new $1 preferred plus 14 common shares.

Plan 2, is said to call for existing preferred shares to be replaced by a new $1.25 cumulative, convertible preferred stock par $25, convertible on the basis of 2½ common for each preferred share.

Under this proposal, it is stated that holders of present preferred would receive four of the new $1.25 preferred plus 14 common shares. Over-all market price of the new securities would be virtually the same as that under plan 1. Under both proposals, shareholders would receive a total of $5 a year in dividends on the new preferred.

Davidson Drug Co. Reorganized With Dominion Charter

MONTREAL (Staff) — Complete reorganization of the drug firm of Davidson Drug Co. is announced. The company has been granted a Dominion charter and will be known as William Davidson Ltd.

First move of the new company will be to broaden its distribution services. With this in mind, branch offices will be set up in Halifax, Toronto, Winnipeg, Edmonton and Vancouver. Under the new organization, officers are: William Davidson, chairman of the board; J. S. Hoag, former comptroller of Frank W. Horner, managing director; F. W. Hammond, director and secretary.

B. C. Phone Sells $3.5 Million Issue

MONTREAL (Staff)—British Columbia Telephone Co. has sold a new $3.5 millions issue of 4¾% cumulative redeemable preferred shares, $100 par value. Proceeds will be used to extend and improve company plants and properties, as part of the over-all $35 million expansion program which will continue over the next few years.

The 35,000 new preferred shares will be offered by a syndicate headed by W. C. Pitfield & Co. at 103, to yield 4.61%.

It is stated that the company now has over 200,000 telephones in operation, against some 119,400 in 1938. Installations in 1947 totaled 18,898, 61.5% higher than in the previous year. In the two years 1946 and 1947, the increase exceeded the total gains in installations for the previous five years.

COMPANY REPORTS

HASAGA GOLD MINES experienced a loss of $245,557 or 8 cents a share in 1947. Reason: Mill was idle the first three months of the year and treated only 211 tons daily — less than half capacity — balance of the year. The mill is now stated to be handling 400 tons daily with the prospect of "better production and very materially reduced costs," President J. E. Hammell declares.

Ore reserves were more than doubled during the year reflecting development of the new ore body construction, completion of a new shaft and mining equipment entailed an expenditure of over $500,000.

While an excess of current liabilities over current assets of $274,992 was shown at the end of the year, there was included in current assets, $72,710 of marketable securities with a $789,790 market value.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Bullion prod.	$303,801	$299,101
Less: Mkt. exp.	3,169	3,601
Oper. exp.	606,229	512,062
Operating loss	305,597	216,562
Less: Sundry rev.	17,314	19,828
Invest. sale	......	23,712
Sale of assets	152,891	......
Add: Deprec.	73,768	33,487
Dev. exp. w/o	36,202	26,702
Option exp. w/o	......	2,141
Prov. for taxes	195	......
Net loss & deficit	245,557	235,352
Earnings per share	d$0.08	d$0.078
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$58,497	$9,193
Dom. bds. & mkt. secs.*	72,710	72,710
Accts., etc., rec.	55,329	17,634
Inventories	186,298	279,702
Total curr. assets	372,834	379,239
Inv. in subs.	219,805	264,733
Due from Allied Co.	285,000	......
Misc. assets	38,867	41,109
Def. dev., etc.	206,921	291,642
Bldgs. & equip.†	348,006	137,644
Property	112,880	112,880
Total assets	1,585,233	1,227,247
Total curr. liabs.	647,826	44,283
Capital stock	601,079	601,079
Earned surplus	336,328	581,885
†After depr. of	502,854	434,634
*Mkt. value	789,780	974,060
Working capital	•274,992	334,956

•Excess of curr. assets over curr. liab.

OPERATING STATISTICS

	1947	1946
Tons milled	61,346	106,385
Average recov.	$4.95	$2.81
Ore Reserves, tons	371,385	175,127
Grade ($35 gold)	$5.60	$4.69

GATINEAU POWER CO. revenue for first 1948 quarter at $2.8 millions, was down slightly from $3 millions in the same 1947 period. Net profit after all charges was $795,126, representing earnings on the common stock of 6 cents a share (46 cents in 1947).

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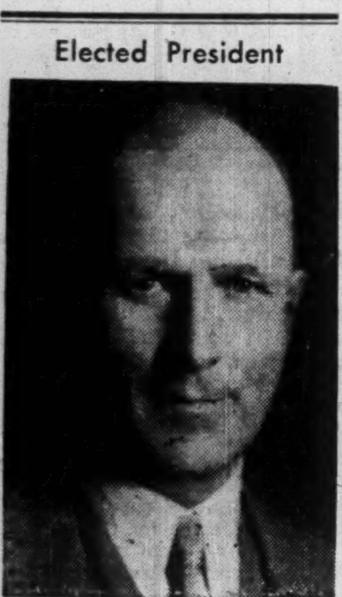

SENATOR W. D. EULER

At a recent meeting of the Board of Directors of The Economical Mutual Fire Insurance Company, Kitchener, Ontario, Senator William D. Euler was elected President following the appointment of Mr. Henry Knell as Chairman of the Board of Directors. Senator Euler has been a Director of the company since 1926. He served Kitchener as Alderman, Mayor and President of the Board of Trade. He was member of parliament for North Waterloo from 1917 until 1940, and occupied the portfolios of National Revenue and Trade and Commerce.

Senator Euler is a Director of the Dominion Life Assurance Company and the Waterloo Trust and Savings Company. *

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FP-A

MANAGED INVESTMENT

Policy of "Wait and See" Is Continued By Compton

The recent rise in the stock markets did not take stocks high enough to warrant any sales for the Compton Account, Compton's manager states. Present holdings are considered satisfactory. Further purchases are not recommended unless the stock market goes lower.

Compton's Manager Says:

Herewith is your investment statement for the month ended June 15.

Although the Toronto Stock Exchange Index of Industrial Stocks touched a new high for the current movement of 191.4 on May 17, no sales of stocks have been made for your account.

Recent swings of the stock market up and down have not been wide enough to justify purchases or sales for your account.

During the period from May 16 to June 15 you received income amounting to $56.39. After the monthly transfer of $25 from revenue to your personal account for living expenses the balance of $31.19 — has been transferred to your cash account which amounted to $83.92 on June 15.

As a shareholder of Consolidated Smelters, you should know that in addition to the regular half-yearly dividend, the directors have declared a special dividend of $3.50 per share, payable July 15. This will make the total disbursement to shareholders, this year, $9.75 per share. They paid $8 per share in 1947 and $4.25 per share in 1946.

The Compton Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
5	Building Prod.	29½	34¾
10	Can. & Dom. Sugar	22	19¾
30	Can. Canners	19¼	20¾
5	Can. Industries	19¾	22
10	Can. Pacific Rlwy.	13¼	21¼
20	Consol. Litho.	17¼	27
5	Consol. Smelters	85	121
5	Goodyear	95½	116
10	Gypsum, Lime & Alab.	14	16¾
15	John Labatt	20	24
35	Montreal Locomotive	18	17½
15	Walkers	26⅜	27¾
15	Nat. Steel Car.	19½	26
15	Simpsons A	25¼	28¾
	Preferred Stocks		
35	Abitibi, $1.50 pfd.	20¾	20⅞
30	Can. Wire Box, A	23¾	24
25	E. B. Eddy Co., $1	22	19
25	Riverside Silk, A	32½	32
30	D. Stuart Oil	16¼	19¾
50	McCabe Grain, A	11	8½
120	York Knit. Mills, A	7¾	6½
	Mining Stocks		
100	Teck-Hughes	3.90	2.62
5	McIntyre	64⅓	55½
15	Kerr-Addison	16¼	12¼
10	Hudson Bay	45¾	52¾
	Bonds		
$1,100	Can., 3% 1957/60	100½	101⅛
$1,400	Can., 3% 1959/62	100.98	100½
Cash			$83.92
Curr. Market Value of Fund			$13,795.91
Average Yield on Original $10,000			7.48%

*Bid price on June 15, 1948.

CNR Paying Back More Than it Costs, is Claim

MONTREAL (Staff)—Pointing to the eight-year record of Canadian National Railways, T. H. Cooper, vice-president and comptroller, told the Senate Banking and Commerce Committee recently that there is a general misunderstanding about the amount of money which taxpayers have to find for CNR.

Since 1940, Mr. Cooper indicated, CNR had paid into government coffers more than it had received. Capital requirements over the eight-year period totaled $59.3 millions. But CNR repayed $112 millions of capital loans. In addition, Mr. Cooper said, the railway had paid $121.6 millions in interest over the period.

For 1948 CNR asked and got Commons authorization for a capital budget of $101.7 millions. Of this, $15.8 millions will come from depreciation reserves and debt discount amortization; the balance from sale of securities to the Government or public.

In its operating budget for 1948, CNR estimated a surplus of $6.3 millions. This does not, however, make any allowance for wage increases. If the seven-cent-an-hour increase, retroactive to April goes through, it would mean a $6.5 million deficit to the company, it is stated. Thus it is possible the CNR may have to ask Parliament for a deficit appropriation, for operating account.

Budgets Analyzed

Following are the 1948 capital and operating budgets:

CAPITAL BUDGET

Additions and betterments (less retirements)	$20,250,000
New equipment*	$59,000,000
Barraute branch line	$1,440,000
Acquisition of securities, retirement of capital obligations	$1,007,200
Additional working capital	$20,000,000

* Estimate $22.5 millions to be spent in 1948.

OPERATING BUDGET

Operating revenues	$481,270,000
Operating expenses (a)	$419,583,000
Net operating revenue	$61,687,000
Interest and other charges	$55,400,000
Net income (a)	$6,287,000

(a) Does not include any provision for wage increases but includes increased revenues as a result of 21% freight increase.

Under "additions and betterments" in the capital budget totaling $20.2 millions, the Atlantic region will get $1.9 millions; Central region $9.9 millions; Western region $4.9 millions; Grand Trunk Western (Sarnia to Chicago) $3.7 millions and Central Vermont $0.4 millions.

Important items of new equipment provided for include: 2,000 550-ton box cars; 1,000 40-ton automobile cars; 20 1,000-hp Diesel switching engines; two 4,500-hp Diesel road engines; 25 air-conditioned coaches; 20 sleeping cars; 50 baggage cars and 50 refrigerator cars.

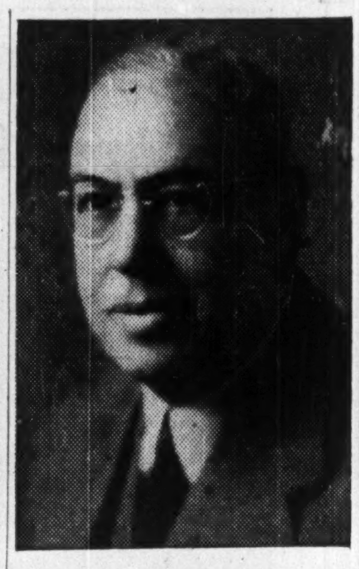
The sum of $1.4 millions is required to complete the Barraute branch line in northeastern Quebec and get it ready for operation late this year.

"Relatively Small" Amount

Commenting on CNR's capital requirements before the Senate Committee, Mr. Cooper said that $59.3 millions over the past eight years did not represent a large amount for a railway with 23,400 miles of line. With a capital investment of over $2 billions the annual requirements, on the foregoing basis, represent about 1/3 of 1% of the total property investment, he added.

"The railway has opened up vast areas for colonization, made possible the development of the nation's natural resources and provided a vital transportation service at a low freight rate. When you speak of the value of CNR I think these are important factors to be considered," Mr. Cooper told the Committee.

TOWN OF BEAUPORT has sold $160,000 of 3% serial 15 year bonds at 97.16 to Clement, Guimont Inc. of Quebec.



C. STUART MALCOLM

of Montreal has been elected vice-president and chairman of the fire branch of the Canadian Underwriters' Association.

B. A. Oil Co's Mt'l Program Doubles Output

Additional refinery output of British American Oil Co. as a result of current construction program at Montreal East refinery will aid the Government's effort to conserve U. S. funds to the extent of from $8 millions to $12 millions a year, President W. K. Whiteford stated in a dividend letter to shareholders.

The Montreal program alone will cost around $15 millions, 80% of this expenditure being for Canadian materials and labor. The project will provide employment for about 1,500 men, it is said. Largest single addition to refining capacity is being rushed to completion at Montreal East, and about June, 1949, capacity will be about double the present throughput. In addition, a fluid catalytic cracking unit, a gas recovery unit and a catalytic polymerization unit are being installed.

Customers' requirements continue to increase in volume and variety, and far exceed available supplies of finished products from company refineries. Consequently, the company is obliged to import these products, which are difficult to obtain due to phenomenal consumption of petroleum throughout most of the world since the end of the war.

Installation of the new units will enable the company to supply improved fuels for new automobile engines, and in addition, will place it in a position to take care of anticipated requirements of super fuels for years to come, it is said.

Ind. Acceptance Sells $10 Millions In Secured Notes

MONTREAL (Staff) — Industrial Acceptance Corp. has sold $10 millions of secured notes to Prudential Insurance Co. of America, board chairman Russel D. Bell announces. Proceeds are being used to retire demand loans carrying higher interest rates. The notes are series D 12-year 3½% dated June 1, 1948.

This transaction does not represent new financing and total secured notes now amount to $20 millions, maturing from 1950 to 1960 and bearing interest at from 2¼ to 3½%. Preferred, common stock and surplus now stand at approximately $12.5 millions

The balance of IAC's receivables business is financed by demand loans from chartered banks which rank pari passu with the secured term notes. Receivables on hand as at May 31 are said to be at a higher figure than at the same date in any previous year.

CITY OF ST. THOMAS, Ont. 3%-3¼% serial debentures maturing 1949 to 1968 inclusive have been sold to McLeod, Young, Weir & Co. Price was $100.831, equivalent to a cost rate of 3.092% to the municipality. Of the total proceeds, $200,000 is for a bridge on Wilson Ave. and $150,000 for a trunk sewer to serve the Homedale area of the city. As at Dec. 31, 1947, net debenture debt of the city amounted to $210,698 or $11.16 per capita.

Argus Income Is Up 47.6% Adds Orange Crush Shares

Income from investments of Argus Corp. amounted to $623,310 for the six months to May 31 — 47.6% higher than the $422,123 for the corresponding period last year, the semi-annual report for the period ended May 31, 1948, shows. Expenses, including $61,197 interest on borrowed money, totaled $100,434 ($104,246 in same period last year).

Net income, after income taxes, was up 62% to $514,677 ($317,878) or equal to $10.29 a preferred share and to 47.3c a common share. This would indicate an annual rate of earnings of $20.58 a preferred share and 94c a common share as compared with $16.13 and 68c respectively for the 1947 fiscal year.

A 161% increase in its share holdings of Orange Crush Ltd. is the principal change in the investment holdings for the period ended May 31, 1948. Argus now holds 198,600 shares of Orange Crush as against 76,000 shares at Nov. 30, 1947, the shares having been acquired by exercising its rights and certain options so that the extra shares would cost Argus $8 a share. (The Financial Post, March 6, 1948).

Only other change in the securities schedule is a reduction of $25,000 in "Sundry Investments" through sale of an investment having no quoted value.

Total investments, at cost less a reserve for investments of $1,140,221, are shown at $18,215,467 which compared with $17,259,944 at Nov. 30, 1947, after deducting a reserve of $1,147,986.

Market value of investments at May 31, 1948, amounted to $19,375,149 (including cost of investments having no quoted market value of $1,272,311) — slightly above the cost (before reserve) of $19,355,688. Market value at Nov. 30, 1947, was $18,948,600 as against a cost of $18,407,930.

Indicated value of the common stock was $12.07 a share at May 31 — a slight reduction from the indicated value of $12.52 at Nov. 30, 1947, and compares with $11.25 a share at May 31, 1947.

Referring to the "Reserve For Investments," President E. P. Taylor points out that it was formerly carried on the liabilities side of the balance sheet and represents net capital profits, after deducting any losses on investments arising in the course of operation. "When this reserve was originally set up, it was stated that it was not intended to take it into income, and your directors have now decided to apply the entire reserve as a deduction from the aggregate book value of the company's investments. This decision is reflected in the form of the annexed balance sheet," he added.

"The progress of those companies in which your company is principally interested continues to be satisfactory," Mr. Taylor states.

Renaissance First Films Expected Soon

MONTREAL, (Staff) — Renaissance Films Distribution Inc., a member of Canada's growing motion picture industry is just about ready for business, President J. A. Deseve announces. In collaboration with another new company, Canadian International Screen Productions, Renaissance plans to turn out 10 feature-length motion pictures in the next two years. Title of the first production will be announced shortly, it is stated.

In its newly equipped, permanent Montreal studio, Renaissance is set up for continuous production; and backers expect it will become an integral part of the Canadian industrial life. According to its letters patent, Renaissance was organized to:

1. Produce, distribute and exhibit motion pictures principally in English, French and Spanish versions in all forms including television.

2. Construct and acquire motion picture theatres in Canada, United States and Europe.

3. Construct and acquire picture studios and laboratories.

4. Establish throughout the Dominion an essentially Canadian motion picture industry, providing films replete with technical skill, artistic worth and Christian moral values.

5. Encourage the development, by motion pictures and television of the talents of young Canadians, both as technicians and as artists.

Five Subsidiaries

Renaissance Films Distribution Inc., the parent company, has investments in the following subsidiaries: Renaissance Cinema Inc. (exhibition); Cine-Quebec Inc. (16 mm distribution); Phoenix Studios Inc. (16 and 35 mm commercial production); Renaissance Films Inc. (35 mm theatrical production); Societe Fiat Film (dubbing and European distribution).

Canadian International Screen Productions, which is said to have strong United States backing, will handle the feature film production duties for Renaissance. Joseph Than and Leonard Fields, executive producers of CISP, will try to develop Canadian talent as writers, actors and technicians and will import key personnel at the start to get production rolling, it is stated.

Renaissance Film Distribution, which has published a prospectus covering the offering of 100,000 class B preferred shares, says it now has some 3,000 shareholders. Its studio and administrative offices embrace 600,000 cu. ft. The building houses sound and recording stages, latest type five-channel RCA sound-recording system, dressing and make-up rooms for 100 performers, and commissary, carpentry, machine shops, etc., in addition, the company owns another 300,000 sq. ft. of land in Montreal East, where it may eventually construct a combination motion picture studio and tourist resort.

Renaissance feature productions will be released through Allied Artists and Monogram; each of which will distribute five films throughout United States and world-wide markets.

Substantial Assets

Balance sheet of Renaissance Films Distribution as at Dec. 31, 1947, showed assets of $1.2 millions and current assets of $404,798. Current liabilities were shown at $37,126 and long-term debt, covering balance due on real estate purchases, totaled $59,687. Capitalization according to the prospectus is:

	Authorized	To be Outstanding
Convertible Class A ($25 par)	$500,000	$500,000
Convertible Class B ($25 par)	2,500,000	2,500,000
Class C (npv) shares	150,000	25,000
Ordinary shares (npv)	50,000	20,035

Class B shares which are being offered publicly, carry a cumulative dividend at the rate of $1.25 a share, payable quarterly from date of registration. These ran pari passu with class A shares and may be converted into class C shares share for share at any time until redemption. Class C shares participate equally with ordinary shares and have a voting privilege of one vote for every ten shares.

The class B shares, which are being sold through salesmen are offered at $25 with a bonus of one share of class C for each four shares of class B.

Harding Carpets Sales 33% Higher

Dollar sales of Harding Carpets Ltd. for the seven month period ended May 31, 1948, were 33% higher than for the same period a year before. This news was contained in a letter to shareholders which accompanied cheques for quarterly Dividend No. 27, amounting to 20 cents a share, payable July 2.

"Your directors are pleased to report further progress during the six months ended April 30, 1948," the letter said. Although we are facing higher costs in the latter half of the year, the over-all outlook for the year would appear to be satisfactory."

KENNETH BOTTOMS J. H. A'COURT A. R. G. AMENT

Recent appointments made by Brazilian Traction, Light and Power Company, Limited are: Kenneth Bottoms, Assistant Secretary; J. H. A'Court, Assistant Treasurer (Accounting); and A. R. G. Ament, Assistant Treasurer (Controls). *

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Our Conscription Policy?

In both world wars Canada put off facing the matter of military conscription until years after the fighting had started. As a result we reaped little advantage from such a major step but escaped none of the disadvantages. Our flow of reinforcements to the fighting fronts was dangerously reduced, our vital national unity was weakened, and there was disturbance to industrial production by the call-up of workers.

In another war that sort of procrastination might prove fatal. In any case it should not be necessary.

It would be far better for the country generally, far better for our military contribution to the common effort, if, before we became involved, our official stand on conscription was clarified and made known.

It is significant that our two big allies in the last war, the United States and the United Kingdom, both adopted conscription well before they entered the war and both maintain peacetime conscription now. Certainly if we are going to enter any defense pact with these nations now, as Ottawa seems to propose, then, they will want to know where we stand.

It may not be necessary, nor even desirable for Canada to adopt some form of compulsory military service immediately. It may be found that in our best contribution to the common cause, we would not employ large bodies of troops. Our major part may be the production of food and munitions or to contribute to some highly specialized service, such as air or Arctic defense.

But the important thing is to know where we stand or are going to stand well in advance of any war which may come. If military conscription for Canada is going to be part of that war, then let's face that decision now while we can discuss it dispassionately. Twice we have waited until the very last moment and needlessly distracted ourselves and our Allies when everything should have been concentrated on winning the war.

The Myth of Stable Prices

When farm price stabilization, through government decree, first became a plank of the agricultural planners, the general object was to raise prices. Now that the level of farm prices is around an all-time high, these same planners are advocating stabilization as a sure cure against decline.

The real truth, as Professor J. E. Lattimer, Macdonald (agricultural) College economist, pointed out at a recent gathering of technical agriculturists at Guelph, is that governmental pricing of farm or any other products is a retrograde step. It is more likely to result in scarcity than to produce plenty, said Prof. Lattimer. It has a tendency to lower rather than raise quality and it fails to promote efficiency. Moreover consumer and producer interests would clash. Professor Lattimer summed it up this way:

> "Stability of price of farm products has a strong appeal to consumers provided prices are low. Do consumers in this country, or in any other with which we deal, really feel that prices of farm products should be stabilized at the present level? The present object of stabilization is to prevent too drastic decline in prices. When it was first proposed the idea was to raise them. The real objective seems to be to prevent any rise of prices of those goods we buy and any fall in prices of those we have to sell. Such stability does not permit progress and the final result must be stagnation."

In their misguided crusade against free markets, spokesmen for the western grain pools have continuously coupled stable income with stable prices. This, of course, is nonsense. As Professor Lattimer points out, in farming particularly, where production fluctuates so sharply from season to season, stability of income can only be brought about by considerable variation in price. Higher prices per unit in years of poor crops tend to produce the same income as lower prices per unit when the crops are large.

To The Airline Bosses

The traveller has been a long-suffering soul in all times and all places. But isn't it about time that the airlines began listening to his wails of anguish and began doing something about them?

In the air, most of the airlines do a superb job of serving his comfort. Stewardesses are the nicest and most convenient invention in the history of transportation. The brilliant Dutch operators of KLM hold the agreeable theory that a little alcohol relaxes tension and fosters rest. So oncoming passengers are invited to select a little something from an impressive array of relaxers.

But what airline can be proud of or defend what it does to passengers on the ground? Airlines which are supposed to be the great savers of time become the most ineffable wasters of passengers' time.

Elaborate formalities and waits at ticket offices. More and longer waits at the airport. Then the mad rush of the herd over the tarmac to get preferred un-reservable seats. And then on arrival, often more long waits before luggage is available.

In the air, some of the lines have achieved wonders of comfort and of safety. Our own TCA stands high on both. On the ground, the passenger far too often can be excused if he tends to the view that the airline people are saying, "How privileged you are that we will even consider taking you."

The railroads gave auto travel a tremendous boost with their one-time policy of indifference to passenger comfort. Too long they overlooked the fact that the passengers' travel problem starts at the door of his own home and continues until he gets installed in his room somewhere else.

From the amount of complaining we hear from Canadian businessmen, we think airlines would do well to take a stern look at themselves.

They Flee Socialist Britain

What price the socialist utopia that was promised for Britain three years ago? Well over one million Britishers, the great majority of them workers, have decided that there's no future in it.

That one million is the total number of Britishers who have already gone to the Commonwealth countries and the colonies in the last 18 months; have passage booked for this year; or have given positive indication at Dominion offices in London that they would like to get out.

The Wall Street Journal, reporting from London on this "rush to the exits," as it calls the situation, says these Britons all have one thing in common: they're fed up with restrictions and regulation.

All in all, 100,000 Britons have pulled up stakes in the Old Country in the last 18 months; by year's end another 100,000 will have left. Another one million would like to go.

Here's the breakdown, as reported by the Dominions offices in London:

Canada last year received 56,000; another 50,000 will enter this year; another 300,000 would like to go.

Australia took 20,000 in 1947; will receive 50,000 this year; another 600,000 want to go there.

South Africa took 25,000 in 1947; has another 100,000 on the books.

Socialist New Zealand on the other hand took a mere 1,200 and reports indicate that 42,000 would like to go.

And capital is getting out too. A South African official quoted by the Wall Street Journal, estimates $300 millions of British money came into his country last year. All this at a time when jobs in Britain were never more abundant, wages never higher and hours never shorter.

And oddly, the British Government, hard put as it is to get workers for its mines and factories, shows little concern over the exodus. The Socialists haven't yet found a way to suppress human desires short of outright compulsion and with one in every 50 men, women and children getting out of the country or wanting to get out certainly haven't delivered the promised land to their people.

Thank You, Scripps-Howard

Using the Dominion government's "austerity program" as a pretext, a few U. S. hotel interests are urging American vacationists to boycott Canada. This shortsighted policy is soundly chastised by the influential World-Telegram and other newspapers in the Scripps-Howard chain. States the World-Telegram:

> "Canada's greatest source of dollars is her tourist business. About 20 million Americans visit Canada each year. The dollars they leave here have a quick turn around. They come back home fast, as payment for American goods.
>
> "If Americans should cut down on their trips to Canada, the Canadians would be forced to reduce their purchases in this country for the simple and sound reason that they didn't have the money.
>
> "To urge Americans to forego vacations in Canada is manifestly a short-sighted policy that can only damage our own prosperity—and our best customer and neighbor."

That comes from a real friend of Canada, a friend who realizes that it is stern economic necessity that dictates our present policy of conserving our credit in the United States.

As the World-Telegram further points out, Canadians like to go to the United States on their holidays and they have no prejudice whatever against buying American goods. But so long as the net balance of trade remains heavily in favor of the United States, and there is no chance of converting our favorable balance with other countries into American dollars, we have no alternative but to economize on our American spending.

Few people on either side of the Canadian-U. S. border welcome Canadian restrictions on American travel or purchases. Most of us will be glad indeed to see the last of them. But any misguided retaliation, any slackening of American travel in Canada or purchasing of Canadian goods, will delay, not hasten, that happy day.

Dubious Way to Raise Revenue

The motorist, already victimized by an excessive load of taxation, is apparently in for an extra trimming. Speed traps and general police persecution are again growing rankly. It is claimed that the system once common in some areas whereby the speed cop gets a percentage of the fines his endeavors produce, is almost, if not entirely, eliminated. Nevertheless the reticence of most municipalities in revealing all the facts about fines collected makes many motorists glumly suspicious.

Particularly poisonous is the suburban municipality which sets out to speed-trap tourists and city commuters.

This is not defending excessive speed. It is a complaint against the misuse of authority to impose what amounts to extra taxation by a very dubious method, which is susceptible to many demoralizing abuses.

With our streets and highways already abominably traffic-jammed, getting cars over and off the road promptly would be the logical policy. But fostering traffic jams seems to be the aim of some of these suburbanites.

Properly located and timed traffic lights do a far better job of controlling speed than the speed trap system.

A Parable For Free Enterprise

The practical application of the parable of the talents by the Rev. Gordon C. Smyth of the United Church in Haliburton, Ont., is a crystal clear illustration of the effectiveness of the free enterprise system.

The minister needed funds to renovate the church. He borrowed $1,000 from the bank and lent the money in small amounts to members of his congregation. He preached them a sermon on the parable of the talents and urged them to apply in their daily lives the productive principle it taught.

His people made things and sold them, grew things and sold them, found an astonishing variety of ways in which they could make their services valuable to others.

Within two months they had more than doubled their talents. The original $1,000 had grown to $2,570.

The minister had provided an incentive motive. He emphasized the importance of initiative and resourcefulness and his people responded to these ideas enthusiastically. He used a capital investment to provide tools for the job, an investment that his people put to work with vigor and imagination.

The minister and his people succeeded in their joint effort by applying the basic principles of the free enterprise system.

Napier Moore's

Scratch Pad

IN OTTAWA a day or two ago, a colleague of ours sidled up to us and in a sepulchral whisper said, "I've discovered the sealed chamber! Come and explore it." The day being extremely sticky, we were willing to be chilled. So we said we'd be delighted. Then it developed that the fellow intended to be taken literally. He led us to the East Block of the Parliament Buildings, up to the top floor and along the corridor. He halted where workmen had knocked a door-size hole in the wall; said "Behold!"

Going through the hole and jumping down a foot or two, we found ourselves in a large, stone-walled tower room with a high vaulted roof and arched windows. Just the sort of place wherein, at the midnight hour, you'd expect to meet a spectre with his head tucked underneath his arm.

At the northeast corner an iron spiral staircase led to a storage room on the floor below. Apparently the lower room had been so jammed that the staircase was hidden. At all events, until recently existence of the tower room seems to have been completely forgotten. The elevator man said he'd been there 20 years and nobody had ever mentioned it to him. The workmen said the original entrance had been bricked up and plastered over a long time ago.

Now, when a few steps have been put in, some East Block official is going to have a cool and lofty office.

• • •

AT THE CHATEAU LAURIER last week there was the quietest convention on record. Two or three hundred delegates attended the meetings and, seeing them in the foyer between and after sessions it was apparent they were having an interesting and enjoyable time. Yet at no time was there a sound. They all talked with their fingers. For the convention was that of the Ontario Association of the Deaf.

• • •

SCRATCH PAD's faithful roaming correspondent, Murray R. Chipman writes that while in Rome he dined with a charming couple. Leaving the dining room, the wife suddenly went over to speak to two simply dressed women standing at the desk in the foyer. When she returned she said:

"That was Edda Mussolini and her mother-in-law, Countess Ciano. I went to private school with Edda. I felt I had to speak to her . . . What a life hers has been in so short a span . . . Granddaughter of a blacksmith. Daughter of a man who became dictator of Italy. Wife of Ciano, then in the Foreign Office in China; the return to Rome where he becomes Foreign Minister. She dressed in ermine, swathed in jewels . . Mussolini's forced retirement, with Ciano's approval. Mussolini rescued by the Germans. Ciano taken, tried for treason, shot. Mussolini declares a new Fascist regime; is again taken prisoner by the partisans, shot, hung by his feet in the public square.

"Edda escapes to Switzerland with her children and the copy of Ciano's diary. The Italian nobleman who helps smuggle her across the border is caught and tortured by the Germans, but does not reveal her whereabouts.

"Edda has made considerable money from Ciano's diary. She now lives in Capri, or visits her mother-in-law near Rome, or her mother, brother and sister who live on an island opposite Naples. She is not yet 40. Here she is tonight back at the hotel which was the scene of many of her glittering moments. How strange!"

• • •

A COUPLE of WEEKS AGO, noting that Finance Minister Abbott had taken the sales tax off yogurt, we naively enquired what on earth yogurt has that margarine hasn't. Now we know. Several people have told us. Yogurt, or yogourt, or madzoon, or koumis, or laban, is the favorite energy food of Bulgarians, Armenians and Turks. It's a sort of sour cream of porridge-like consistency. A Winnipeg man says that in Manitoba people of Balkan extraction keep yogurt bacteria around from generation to generation. However, most users are advised to use a freshly made batch within four days. A Montreal dairy advertises yogurt; makes it by exposing sterilized, evaporated fresh milk to the action of Bulgarian or Massol's bacillus. Doctors say it's a good regulator of the digestive functions. Some people say they have found it good for sciatica. An Armenian says it is the secret of longevity. From what he tells us about his father and his grandfather we gather that the only way by which a yogurt eater can avoid living 125 years is to hurl himself in front of a fast freight train.

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ONE OF OUR UNRUFFLED friends says, "You can't change the past, but you can ruin a perfectly good present by worrying about the future."

Stop Me If —

Two tramps were drifting and dreaming. One said: "Want to go west with me? I know a place where there's a lot of gold just lying around waiting for someone to pick it up."

The other shook his head. "There's always a catch," he sighed.

"What's the catch?"

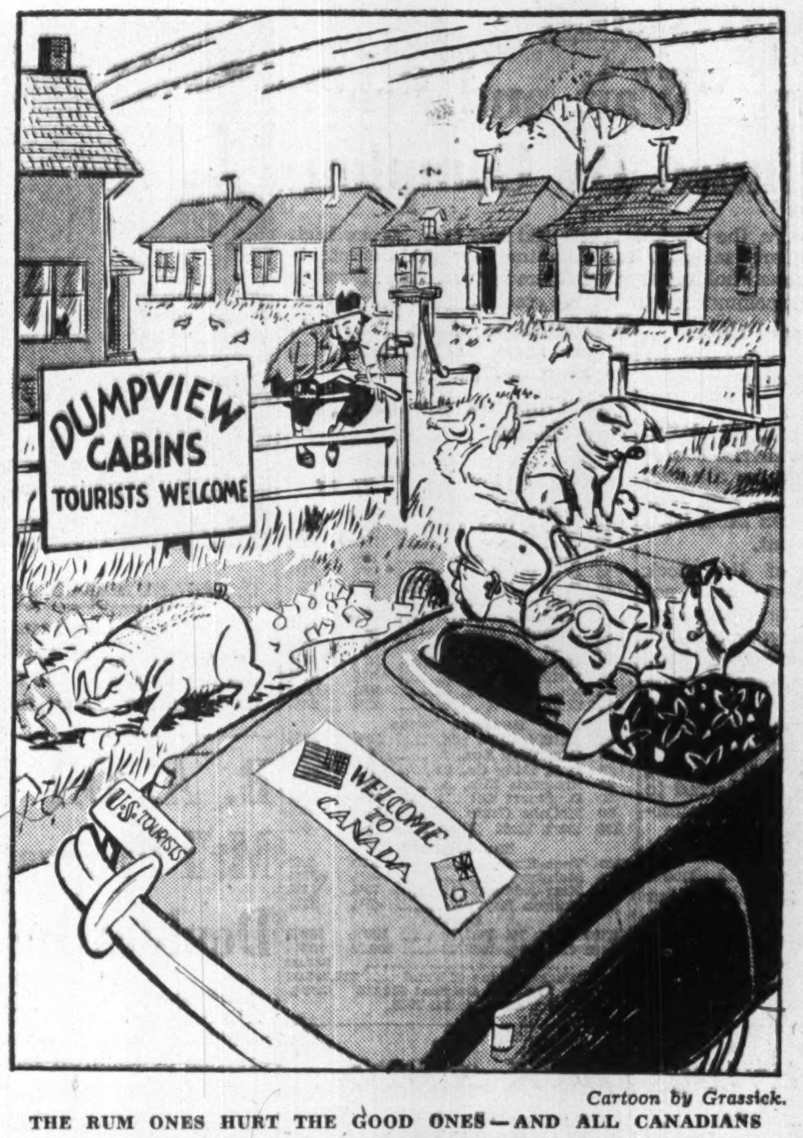
"You got to bend over to pick it up."

• • •

Much against his will, the young suitor had been persuaded to go through the formality of stating his intentions to his prospective father-in-law.

"So you want to become my son-in-law, do you?" the old man remarked grumpily.

"Frankly, no," returned the suitor, "but I see no way out of it if I want to marry your daughter."



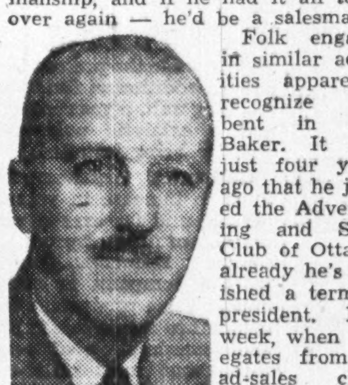
Cartoon by Grassick.

THE RUM ONES HURT THE GOOD ONES—AND ALL CANADIANS

Post Scripts

He's a Salesman

Lyn Baker says his business is salesmanship, his chief hobby is salesmanship, and if he had it all to do over again — he'd be a salesman.



MR. BAKER

Folk engaged in similar activities apparently recognize this bent in Lyn Baker. It was just four years ago that he joined the Advertising and Sales Club of Ottawa; already he's finished a term as president. Last week, when delegates from 22 ad-sales clubs across the country met in Toronto, they elected Baker president of the national body, the Canadian Advertising and Sales Federation.

This brand of speed has allowed Baker to cram many things into his 47 years. Today, in addition to his duties as district manager for Moore Business Forms Ltd., he is a captain in the second battalion, Cameron Highlanders of Ottawa; gets a bit of time for canoeing and swimming on the Gatineau River, plays "a little golf" with a score around 100, tends a garden, does some curling, and serves on the financial committee of an Anglican church.

He was born in Buffalo, N.Y., of a British-born father and a Canadian-born mother. When the family decided on a move up to Canada, the event meant little to young Lyn except that he ceased to go to the public school in Buffalo and started to go to University of Toronto Schools. A period at Toronto's Central Tech, plus two years at the University of Toronto (in Arts) rounded out his formal education.

That brings his biography up to 1920. The ensuing four years were spent in Social Service, doing what is known as "settlement work." The vocational changes between this and his present position can be set forth in the following summary form: Worked with Continental Guarantee Corp.; then with Bell Telepheone Co.; was an advertising salesman for The Financial Post, working in both Toronto and Montreal; sold space for Hugh C. MacLean publications; ran his own sales agency.

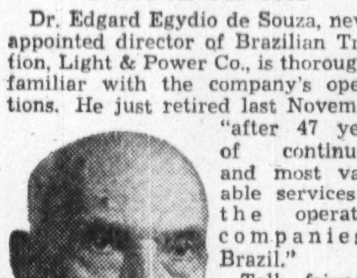
It was in the spring of 1934 that he joined Moore Business Forms Ltd., serving as Winnipeg sales manager from 1935-40; as district manager, Ottawa, 1940-present.

Last week's CASF convention — with its plans for developing a standardized education course in advertising, for holding a national essay contest, for a program in defense of free enterprise, etc. — warned Baker he will find scant time this year for basking his toes at his hearth.

• • •

Traction Director

Dr. Edgard Egydio de Souza, newly appointed director of Brazilian Traction, Light & Power Co., is thoroughly familiar with the company's operations. He just retired last November "after 47 years of continuous and most valuable services to the operating companies in Brazil."



DR. DE SOUZA

Tall, friendly, soft-spoken Dr. de Souza is a native of Brazil, having been born in March, 1876 in Sao Paulo. After receiving his early education in Brazil, he studied for nine years at Liege University, Belgium, graduating in 1899 in both mining engineering and electrical engineering.

Returning to Brazil, in 1900 he joined Sao Paulo Tramway, Light & Power Co. as an electrical engineer and also was made assistant professor of electrical engineering at the Sao Paulo Polytechnical School which is part of the University of Sao Paulo.

In 1912 de Souza was made professor of electrical engineering, a position which he held until 1936 when the law at that time required him to retire as he had completed 35 years of teaching.

All the time de Souza was also active with the Sao Paulo Tramway Light & Power Co., of which he was made general manager in 1924, a director in 1928, vice-president in 1930 and executive vice-president in 1946.

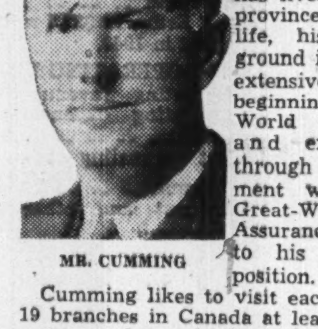
He now plans to do a little traveling and look after his plantation on which he grows all sorts of fruits, corn, potatoes, etc., for his own use. At present he plans to visit Canada from coast to coast for the first time. He has been here four times before but only to Toronto.

Dr. de Souza was married in 1903 to a Brazilian girl. They have two daughters, both married. He is fond of reading and most sports.

• • •

Monarch Life G.M.

When Gordon C. Cumming became general manager 13 years ago of the Monarch Life Assurance Co. with head office in Winnipeg, he brought with him experience as a working insurance salesman.



MR. CUMMING

Though Cumming was born in Manitoba and has lived in the province all his life, his background is one of extensive travel beginning with World War I, and extending through employment with the Great-West Life Assurance Co., to his present position.

Cumming likes to visit each of his 19 branches in Canada at least twice a year, and travels about 50,000 miles annually. He visits Toronto every month.

Born in Selkirk in 1895, Cumming moved to Brandon with his parents at an early age. He was educated in Brandon schools, graduated from Brandon College, and from the University of Manitoba in law in 1920.

Before leaving the University he served four years overseas with the artillery, leaving the service as a major. In the last war he was with the 38th Field Regiment (artillery) reserve.

He practiced law from 1920 to 1927 with Rosevear, Cumming and Carey in Winnipeg, leaving to become district superintendent of soldier settlement and British land settlement for Manitoba.

In 1931 he went to the Great-West Life Assurance Co. as a salesman, and 10 months later was invited to the home office to take charge of sales promotion education and training.

This year, Cumming moved up from honorary treasurer of the Canadian Life Insurance Officers' Association to second vice-president. He is on the committee of education and training of the American Life Insurance Agency Officers' Association, and a member of the council of the Life Insurance Institue of Canada.

At one time very active in athletics and club activities, (he was active in 30 clubs at one time a number of years ago), his hobbies today are his work, gardening and his summer camp at Minaki.

Present clubs include Winnipeg Winter Club, Manitoba Club, Canadian Club, and Winnipeg Chamber of Commerce.

A Liberal all his life, he conducted several campaigns for the provincial house in Winnipeg a number of years ago.

Married, Cumming has two sons, both attending University of Manitoba.

What Others Are Saying

Editorial of the Week

All Bark and No Bite

Vancouver Province

EARLIER this year, when the Dominion Government first shrank from backing up our international commitments by showing a little military muscle, one of our public men called us a nation with a loud bark and no bite.

The listless defence policy debate in the House of Commons must confirm that estimate in the eyes of the world.

Mr. Claxton said nothing at all about compulsory military training for young men, the system now in vogue in every other country of consequence in this hemisphere, and apparently nobody bothered to ask him.

For a nation that hopes to live beyond the parish pump, to live up to the high foreign policies we have set ourselves — policies that involve military commitments in an Atlantic alliance — our showing is pitifully inadequate.

In an armed and restless world we don't seem to know or care about preparedness.

We can't go on forever being a country with a loud bark and no bite, a country in which men who earnestly believe in preparedness are usually called warmongers. Some day somebody is going to call our bluff.

Other People's Views

EXIT HOCUS-POCUS is the way the **Windsor Star** describes the result of the liquor plebiscite in Prince Edward Island. "In moving from its position of historic isolation on the liquor question, however, the Island has shown an inclination to strike a happy medium between technical prohibition and the easy availability of alcoholic beverages in some of the other provinces. Islanders must limit themselves to a bottle of 'hard stuff' or a case of beer a week."

TEN YEARS OF GOOD MOISTURE has diminished the enthusiasm for irrigation and water conservation on the Prairies, states the **Winnipeg Free Press** but it warns, "Nevertheless it would be folly to allow water conservation and irrigation to languish now in the belief that such projects will never again be needed. The past ten years in which conditions have been favorable are one of the longer good-crop periods. It would be quite normal for a series of subnormal moisture, and consequently bad-crop years, to come along now. It is to meet such conditions that the whole water scheme was designed."

THE "COLD WAR," the **Niagara Falls Review** points out, "is not so cold in the United States, where it is to be noted that defence estimates for the fiscal year, beginning July 1, have been increased to $14 billions. We can remember when anything near a billion dollars seemed astronomical but we seem to have gone past that stage. Maybe we will, in time, become used to trillions, 12 zeroes according to U. S. and French ideas, but 18 zeroes according to British figuring.

SENATE NEEDS AN EAR TRUMPET, suggests the **Vancouver Province**. "One day after a Gallup Poll reported that a clear-cut majority of Canadian voters favor removal of the ban on manufacture and sale of margarine, the Senate of Canada was called upon to vote on the same subject. Senators, being appointed and not elected, are not obliged to keep their ears as closely tuned to public opinion as their colleagues in the House of Commons. In this instance 35 of them seemed blithely unaware of public opinion. They voted down 21 of their fellows who sought to legalize margarine. It would be a good idea if they made a greater effort to listen. Their present hardness of hearing suggests, that the Senate really does need an ear trumpet."

MORE PRODUCTION IS the only cure for inflation, says the **Saint John Times-Globe**. "We might as well face the unpleasant truth that there is no quick or easy remedy for inflation. The only solution lies in striking a balance between supply and demand."

The Financial Post

Member Audit Bureau of Circulations

Member Business Newspapers Association of Canada

A weekly newspaper presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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The Provincial Roundup

Prince Edward Is.

Spud Co-op Nearer: The first step toward co-operative marketing of the Island's huge potato industry was taken last week, with formation of an association of shippers. Main problem of the industry here is to get an orderly and adequate supply of refrigerator cars; and the association will press for a government appointed controller to supervise the assembly of such cars.

Simultaneously, the Island's seed potato acreage had reached a new high: 37,000 acres, and still mounting, against the previous 1936 record of 36,261. Last year's high prices for seed stock were evidently causing farmers to bid for the largest crop in history. Of the 1946 production of 6.1 million bushels, actual shipments for seed were 3¼ millions.

Vice-Regal Visitors: The Island this week awaited arrival of its most distinguished vacationists—Viscount Alexander, Governor-General of Canada, Lady Alexander and their children. Newly returned from a visit to South America and the West Indies, the vice-regal family were due to arrive on the Island July 10, and to stay at a north shore hotel in the national park, until late August.

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Nova Scotia

See Big Tourist Year: Tourists spent $25 millions in Nova Scotia in 1947, and the province anticipates even higher revenues from this source this year, Industry and Publicity Minister Harold Connolly stated. Approximately 325,000 visitors came to the province last year, and spent an average of eight days here. Their expenditures were greater than the Provincial Government's revenue; three times greater than the revenue of 15 years ago; and virtually all of this except gasoline tax, went to small businessmen. Noting that Quebec's budget for tourist publicity is tenfold Nova Scotia's, Connolly pledged his department to intensify its efforts, and urged the hotel industry to co-operate by providing good beds, wholesome food, and clean surroundings for visitors: "We don't want magnificent hotels on the grand scale in Nova Scotia. We do want hospitality . . . the things you would want if you went elsewhere."

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New Brunswick

Bigger Year Ahead: Cargo tonnage handled in Saint John port last year was 6% above 1946, and authorities anticipated an even higher figure, for both cargo and passenger traffic, this year. Operating revenues in 1947 were $945,000, an increase of $12,000; operating expenses (including administration and maintenance) $488,000, up $29,000. After all charges, there was a net income deficit of $283,000, against $609,000 in 1946. Vessel arrivals totaled 1,593 (1,551 in 1946); tonnage, 2,341,000 (2,129,000); cargo tonnage 3,013,000 (2,842,000). Banana cargoes were now arriving at Saint John for the first time since early in the war; and increased shipments of sugar, molasses and other tropical products from the British West Indies, were also expected. (Halifax showed a similar 6% increase in cargo tonnage last year; 3,557,000, against 3,385,000 in 1946).

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Quebec

M.P.'s, Keep Out! The provincial election campaign is a private fight, and members of the Dominion Parliament should "mind their own business, and stay out of it," Premier Maurice Duplessis insisted. "They have enough in Ottawa to keep them busy. They should see about bringing down the income tax, which is ruinous to everyone. Why can't they busy themselves about giving Canada a flag? Quebec has one, but Canada has none!". Duplessis contended a health program should be under provincial, not federal, jurisdiction: "The only way to protect the physical and moral health of Quebec is to confine it to Quebec institutions, and to the authority of the Quebec legislature."

Labor Minister J. Antonio Barrette attacked maintenance of Canadian immigration offices in Communist-dominated countries: "We don't want immigrants from Prague, Warsaw or Moscow."

• • •

Ontario

One Less for CCF: Liberals gained another seat in the legislature (elected June 7), and the CCF lost one, as a recount in Welland riding gave H. W. Walker an 11-vote margin over Armour McCrae. The ground: Due to a shortage of official pencils, some ballots had been improperly marked. The turnover made the party standing in the new House: Progressive Conservatives 53; CCF 21; Liberals 13; Labor Progressive 2; Liberal-Labor, 1. A further appeal was still possible in the Welland case, however. Meanwhile, a postponed recount opened this week in Prince Edward-Lennox, where James de C. Hepburn, Speaker of the last House, had been declared beaten by Donald Fletcher, Liberal.

U. S. Dollars Coy: The tourist season was off to a flying start, in what promised to prove a record season. Windsor reported a high of more than 67,000 motor cars crossing the border during the holiday week end; Niagara Falls more than 23,000; Fort Erie Peace Bridge 45,000. But the influx did not mean what it might have, in the dollar field; the visitors spent freely, but spent mostly Canadian money, which they had reportedly bought at a 4% discount before leaving the United States.

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Manitoba

'Peg Accepts Terms: Winnipeg City Council looked the province's gift horse long and thoroughly in the mouth, before accepting terms which would net the city $550,000 additional revenue yearly (The Financial Post July 3). Aldermen contended that the Garson Government's offer fell far short of the "just and legitimate" claims for $1,866,000 annually, filed on the city's behalf by H. Carl Goldenberg of Montreal. Finally, with only one dissenting voice, Council agreed to the compromise as "the best deal obtainable," although reserving the right to file further claims in the event of further Dominion-provincial agreements.

• • •

Saskatchewan

Socialism's Second Round: Still in the saddle, though with its strength slashed more than 33%, the CCF Socialism was coming up for its second round, this week. Premier T. C. Douglas outlined the CCF's 1948-52 program, as follows: A crop insurance scheme, and marketing of coarse grains through the Canadian Wheat Board; expansion of health services; increased labor protection; increased education facilities and opportunities for youth.

Douglas said Cabinet reorganization was "likely." but that no move had yet been made to replace Resources Minister J. L. Phelps, or Provincial Secretary and Welfare Minister O. W. Valleau, defeated in the June 24 voting. He also insisted the CCF had never considered socializing farms: "We have no intention of going into the retail business."

• • •

Alberta

More Coming from U.K.: Plans for an air immigration program have been "halted temporarily, but not abandoned," Economic Affairs Minister A. J. Hooke announced, stating that despite this, some 1,000 Britons have already arrived here, and that as many more are expected by early autumn. In addition, 400 European D.P.'s (exclusive of children) have arrived in the Lethbridge area, to work in the sugar beet fields. Possibility of establishing an assembly plant for small calibre weapons in the province is being studied by A. J. Warwick, of the Birmingham Small Arms Co., who termed Alberta "a chemical engineer's paradise." Supply of walnut for gun stocks is greatly restricted in England, but should be available here, from the United States, he added.

Mine Strike Ends: Four-hundred idle coal workers, representing five major Edmonton mines are to return to work immediately, announced John Stokaluk, of Calgary, vice-president of district 18, United Mine Workers of America, in Edmonton.

Settlement of the strike, which has kept the men out of the mines since January 13, grants the workers a wage boost of $1.40 per eight-hour day, with an additional two cents a ton for the welfare fund, making the total contribution five cents a ton.

The union had asked for an increased wage rate of $2 per day. The agreement applies to the Red Hot mine, Great West (Black Diamond) mine, Beverly Coal mine, Riverdale, and Edmonton Colleries Ltd.

• • •

British Columbia

Taxes . . . and Taxes: Canada's 81st birthday was a day of headaches for most British Columbia retailers, and of chaos for many in Vancouver. The day (July 1) marked the start of the province's 3% sales tax (officially "Social Security and Municipal Aid Tax") and also of Vancouver's business tax.

The sales tax applied on almost all commodities selling at over 15 cents, except foodstuffs and certain other essentials. Many business houses, delegated by the Government to collect the tax, said it might boost prices more than 3%; declared that the 3% commission on tax collections, allowed them by the province, would not nearly meet the bookkeeping and other collection costs involved.

The tax was originally expected to yield $12 millions a year. Now government circles have raised that estimate to $14 millions; but other observers set the figure at between $20 millions and $30 millions.

Vancouver's new business tax, effective also at July 1, but retroactive to Jan. 1, is based in rental values of property. Originally it was planned to double the revenue raised by the old business license system, and to net the city some $2 millions yearly. Many business houses complained, however, that their tax would be boosted 300%; some 500%. One large firm, formerly paying a $500 license fee, stated its tax would now be $9,800. One firm, 25 years in business, announced it was closing its doors. Vancouver Board of Trade complained that the levy would encourage residents to buy outside the city; would also discourage new businesses from opening in the metropolitan area.

CITY OF SASKATOON, Sask., has sold a new issue of $416,000 serial debentures to Bell, Gouinlock & Co. at $99.30 and accrued interest at a cost to the city of 3.59%. This was formerly shown in error as 3.95%.

INDUSTRIAL DEVELOPMENT BANK reports loans and investments of $15.3-millions as at May 31, 1948.

H. A. BENHAM

of Winnipeg, has been named payroll savings director for the Prairie Provinces, in the third series of Canada Savings Bonds, to be issued next autumn.

Christian Principles and Work Antidotes to Communism, Pope

The following description of a personal interview with Pope Pius XII is written by M. R. Chipman, Montreal manager of Maclean-Hunter Publishing Company Limited, who is touring Europe.

By M. R. CHIPMAN

ROME—It was my privilege to be invited with a small group for a special audience with His Holiness Pope Pius XII. He spoke to each of us personally.

It is a colorful proceeding, simply getting to the audience chamber. You pass through a series of rooms each with a different variety of uniformed guard—from the colorful Swiss guards in their vertical-striped apparel to others with white breeches and wearing busbies. Still farther inside are many gold-braided uniforms and glittering Roman helmets.

The Pope himself appeared in all-white robes. A most gracious personality and a tactful mind. I asked what he considered the best defense against Communism. "The Christian principle, active in each individual and in the day's work. And one must not overlook work itself," was the reply.

Had His Holiness a message for Canada?: "My grateful greetings and blessing to all Canadians. We have reason to remember them."

It is interesting that in his recent announcement of 1950 as a Holy Year for pilgrimage to Rome, the Pope also spoke of current social problems. He suggested that world production and world trade may be more important than too much social reform. There may be dangerous and bitter disappointments if the world places all its hopes for a fully satisfactory and speedy solution of its problems on a mere distribution of goods already available, the Pontiff warned.

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and
Corporation
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•

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MOULDERS OF "CANADA UNLIMITED"
INDICATION OF PRECIPITAT
McMASTER
WESTERN
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QUEENS
LAST YEAR, ONTARIO HAD 1,424 POST GRADUATE STUDENTS ENROLLED IN FIVE UNIVERSITIES
COURSES TAKEN BY ONTARIO'S POST GRADUATE STUDENTS COVER THE FULL RANGE OF SUBJECTS IN MODERN EDUCATION
1940-
1948-
IN AN EIGHT-YEAR PERIOD, ONTARIO POST GRADUATE STUDENTS HAVE INCREASED MORE THAN SIX TIMES
ONTARIO POST GRADUATE STUDENTS
NUMBER NEARLY HALF OF THE CANADIAN TOTAL OF 3,300
F 125

Education has always been the birthright of the free. In Canada, ever-increasing numbers of this nation's youth : : : and matured men and women : : : are striving to satisfy a growing hunger for knowledge. In the search for the food for this expanding appetite for understanding, Post Graduate Students are earning the title Moulders of Canada Unlimited.

O'Keefe's
BREWING COMPANY LIMITED

FOR A HAPPIER, HEALTHIER SUMMER
LIFE GUARD

1. Choose the outdoor exercises that are best for you.

Summer weekends and vacations are ideal times to enjoy healthy outdoor exercise. You should, however, be careful not to *over-exercise.*

The businessman in the middle years of life who works in an office all week and over-exerts on weekends may do himself more harm than good. So choose activities that are suitable for your age. Better still, see your doctor for advice about the exercise *you* can enjoy safely this summer.

2. Follow common sense rules for safety in the water.

Swimming is excellent exercise, for you use nearly every muscle in your body — but every swimmer should remember a few precautions.

It's best to swim where there are lifeguards, as even the strongest swimmer may suffer a cramp and need help. After a full meal, it's wise to wait two hours or so before you go in the water; and prior to diving, find out if the water is deep enough for safety.

3. Be careful about getting your summer sun tan.

Sunburn can be painful and serious. For a safe tan, doctors usually recommend starting with a short period (about 10 minutes), and gradually lengthening the time of exposure.

While most sun tan oils or creams help you tan safely, you may still get a sunburn if you stay too long in direct sunlight. Overexposure to the sun, especially when you are exercising strenuously, may also lead to sunstroke, or heat exhaustion.

4. Remember that many summer hazards can be avoided.

A bad case of poison ivy can spoil your vacation, so learn to recognize this plant, and stay away from it. If you give prompt attention to cuts and bruises, you can help prevent the start of infection.

In spite of all your precautions, accidents may still occur, so it's wise to have a well-equipped first aid kit available. In addition, following the rules of good health will also help you to a healthier summer.

To help you enjoy your summer, Metropolitan has prepared an envelope of summer health suggestions. It includes leaflets on First Aid and vacation hazards. Send today for your envelope of Metropolitan's "Summer Health Suggestions." Address Booklet Dept. 78-Y, Canadian Head Office, Ottawa.

Metropolitan Life
Insurance Company
(A MUTUAL COMPANY)

New York

Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT

Canadian Head Office: Ottawa

AN ARCHITECT GOT A MONEY-MAN TO ADMIT,
"I never thought of floors in relation to earning power"

HERE'S WHAT THE ARCHITECT SHOWED

"Floors are such a small fraction of total cost, one tends to forget that floor space is actually what a building is for. You say a steel Q-Floor costs less than the carpet to cover it? Yet it provides electrical availability over the entire exposed area of the floor. And the steel construction, being dry, reduces building time 20 to 30%. These are factors any investor can easily translate into terms of money saved. They mean more revenue over the years and earlier revenue right from the start. Let's look at the details—"

Why Q-Floor reduces building time 20 to 30%.

Q-Floor is steel subfloor, delivered precut. Two men can lay 32 sq. ft. in 30 seconds. Construction is dry, incombustible. The Q-Floor is immediately used as platform by other trades. No delay for wet materials. No forms, no falsework, or fire hazard. Even when steel is slow in delivery, steel is still faster. You must allow time for demolition and excavation. By that time, the steel is ready. Steel construction gives a faster completion date. Completion time, not starting time, determines how soon your investment pays off.

Why Q-Floor keeps a building modern.

The steel cells of Q-Floor are crossed over by headers for carrying the wires of every electrical service, regardless of how many new business machines may be invented. An electrical outlet can be established on every six-inch area. It requires but a small hole, takes literally only a few minutes. No muss with trenches. Tenants can have as many outlets, changed as often and located exactly, as they please. Such permanently flexible floor plans keep a building permanently modern. The exterior may grow old-fashioned, but with live arteries of power in the floors, the building itself will never be electrically outmoded.

Q-Floor is now made in Canada, of Canadian steel, by Canadian labour. Recent installations include Can. General Electric Company Ltd., Hamilton, Ont.; Barclays Bank, Toronto; Steel Company of Canada, Ltd., Hamilton; Bay-Grosvenor Bldg., Toronto.

For more data, see your architect or write

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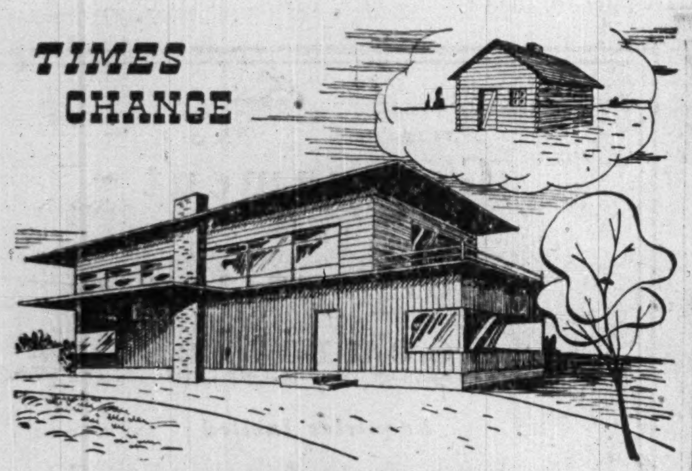

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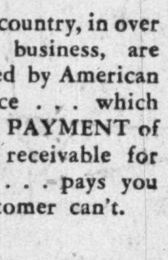

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Old Annuity Rates Give $100 Millions Deficit

Government Actuaries Estimate Capital Loss on New Business if Interest Rate Not Adjusted —Annuity Situation to be Examined

Because of opposition which developed late in the session, Parliament prorogued last week without passing the bill to make government annuity contracts more flexible, increase the maximum annuity obtainable under the plan to $1,500 and give these contracts a cash value.

Labor Minister Mitchell announced that a special committee would enquire into the situation at the next session of Parliament.

Such action has been considered desirable because of opposition both in and out of the House. Opposition appears directed mainly to the increase in annuity rates, effected by order in-council in April (The Financial Post April 24, June 19). It is understood the 3% interest basis and new mortality tables adopted by order-in-council in April continue to stand.

Mr. Mitchell, in the closing hours of the parliamentary session reviewed the history of the government annuities branch. Digest of his statement follows:—

Regarding the rate of interest on which premiums are based, the then Finance Minister, W. S. Fielding, said in 1908, "The rate may be changed from time to time, according to monetary conditions." Parliament authorized the Government to change the rate by regulation, as need arose.

When the act was passed, the rate was fixed at 4% to get a round figure, government bonds at the time yielding 3.89%.

The other item in the cost, the number of years it will be necessary to pay the annuity, depends on the expectation of life of the annuitant. On the mortality tables accepted and the interest rate which seem reasonable at the time, the annuity premium rates are set.

In 1936, because of increased life expectancy, new mortality rates were adopted. This action was largely based on a report by Professor M. A. Mackenzie, who also recommended transfer of $8,941,196 to maintain a reserve in the annuities fund, because of the sale of annuities at less than cost prior to that date.

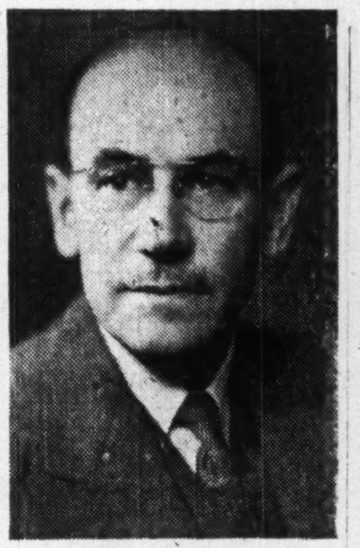
More recently, the Government has found it is selling annuities at less than cost, because life expectancy is greater than in 1936. This is particularly important because many contracts will not become payable for 10 or 25 years later. Some will not become payable until the year 2,000.

Up until the change in annuity rates by order-in-council in April moreover, interest at 4% compounded yearly was allowed on money paid into the annuities fund, whereas to citizens who bought War or Victory Bonds, interest was allowed at 3½ to 3%.

Such a difference in interest rates is argued to be discriminatory and unfair as between different types of people who provide old age security in different ways. One group has been providing old age security by buying government annuities, but far more have been buying government bonds, Victory Bonds, war savings certificates and Canada Savings Bonds.

At present rate of sales, and assuming money to be worth 3%, if the Government continues to pay 4% on annuity funds, actuaries estimate a deficit of $100 millions will be incurred from the new business of the next 10 years without considering the rapid increase in sales. This deficit would have been considerably greater had the Government continued to use the former mortality table.

In adopting a new interest basis and new mortality table, the Government has not departed from the basic principles of 1908. The fact that buyers of new contracts pay more than those who bought before April 19, 1948, is no different from the situation in 1938 nor that existing in all lines of the insurance business.



J. THORNLEY BOWMAN

medical director of The London Life Insurance Co., has been elected chairman of the medical section of the American Life Convention.

Decline Shown In Bank Debits

First Recession Since February—Government Expenditures Down

For the first time since February the volume of cheques cashed at the clearing house centres of Canada in May showed a decline from the previous year. The total of $6,446 millions was 5.8% lower than in May, 1947.

Declines were shown in 14 of the clearing house centres of Canada and three of the five economic areas in Canada were lower than last year. The declines were 16.7% Quebec, 2.5% in Ontario, 1.6% in British Columbia. The increases were Maritimes 26.7%; Prairies 1.8%.

Over the first five months of 1947, total cheques cashed were $31.6 billions or 3.9% more than last year. Increases were shown in four economic areas:—Maritimes 17.1%; Ontario 5.6%; Prairies 15.3%; British Columbia 7.1%. Quebec was down 5%.

Factors contributing to the declines were:—floods in certain parts of the country, lower production in the cheese and butter industry, and lower dividend payments. Dominion Government expenditures also were down about 12.2% from last year and government revenues down 10.1%. These latter were regarded in some quarters as particularly powerful factors.

Figures for May with comparisons follow:

CHEQUES CASHED IN CANADA
(Millions of $)

	May 1948	Apr. 1948	May 1947
Maritimes:			
Halifax	115.3	73.4	70.6
Moncton	27.4	30.8	28.2
Saint John	40.3	45.6	45.6
Total	183.0	149.8	144.4
Quebec:			
Montreal	1,659.6	1,785.5	2,048.3
Quebec	200.4	184.3	191.4
Sherbrooke	23.5	23.2	20.4
Total	1,883.5	1,993.0	2,260.1
Ontario:			
Brantford	32.8	31.8	29.6
Chatham	19.0	18.8	19.4
Fort William	17.0	17.1	15.9
Hamilton	161.4	159.6	181.9
Kingston	20.8	20.3	19.6
Kitchener	42.2	40.3	37.9
London	84.7	93.8	90.2
Ottawa	288.2	277.1	476.0
Peterborough	21.9	21.5	20.7
St. Catharines	29.4	28.0	26.0
Sarnia	22.5	23.1	23.9
Sudbury	19.1	18.0	16.4
Toronto	1,822.7	2,144.2	1,699.4
Windsor	111.1	112.0	104.1
Total	2,692.5	3,005.5	2,760.8
Prairie Provinces:			
Brandon	11.8	10.9	9.6
Calgary	145.8	147.9	148.3
Edmonton	121.9	122.2	107.4
Lethbridge	14.6	15.9	14.7
Medicine Hat	7.3	7.1	8.1
Moose Jaw	18.1	17.3	18.6
Prince Albert	9.2	8.9	8.7
Regina	80.3	105.3	94.7
Saskatoon	37.6	31.6	35.3
Winnipeg	664.9	654.3	646.1
Total	1,111.5	1,121.4	1,091.5
British Columbia:			
New Westminster	26.7	27.0	23.1
Vancouver	465.9	498.1	486.5
Victoria	82.3	73.6	74.8
Total	574.9	598.7	584.4
Total for Canada	6,445.6	6,868.5	6,841.2

Your Fire Premiums to Rise If Present Losses Continue

You're going to pay more for your fire insurance unless the fire loss situation improves. This was the general feeling at the annual meeting of the Independent Fire Insurance Conference at Tadoussac.

The large number of small fires is a very important factor in the total fire loss, it was stressed; and present premium rates were termed inadequate. Operating expenses are also higher; the cost of insurance has decreased in the last eight years, while cost of most commodities and services increased.

The conference includes the large proportion of the fire insurance companies not members of the Canadian Underwriters Association in Ontario and Quebec.

Roy B. Whitehead, Ontario superintendent of insurance, urged the need of revising provincial insurance acts and policy contracts to meet present-day needs and to provide for future developments. All sections of the business should co-operate in the matter, he declared.

The executive was authorized to explore the possibilities of conducting a program of public education on the place of the insurance business in the national economy and maintaining it on a sound footing. The conference reports issuance of new tariffs and manuals on all classes of risks in Quebec. Similar manuals for Ontario are under consideration.

Church Gifts Exempt Ontario Death Duties

The Ontario government has announced that effective May 25, all bequests from Ontario estates to any religious organization in Canada will be exempt from provincial succession duties.

The new ruling affects estates of all persons dying after May 24, and applies to religious organizations only, not to educational or other charitable organizations unless specially provided for.

Under the previous regulations, charitable bequests were allowed full exemption if they carried on their work in Ontario solely. If they operated outside Ontario, the exemption varied in proportion to their expenditures inside and outside the province.

Ontario's action follows the change announced in the Dominion budget (The Financial Post, May 22), when full exemption for all charitable bequests in the Dominion was announced. Previously the Dominion had allowed exemption only up to 50% of the value of the total estate. The federal exemption affected all estates of all persons dying after Dec. 31, 1947.

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Evading Federal Taxes Brings Fine of $7,500

Magistrate J. Sauve, in Ottawa Magistrate's Court, recently fined Ayoub Abraham, grocery and restaurant owner, $7,500, on five charges of evading federal taxes. Total tax evasions over the past five years are about $18,500, according to the evidence given and these must be paid in addition to the fine.

The magistrate allowed 10 days in which to pay the fine and $10 costs, in default of which the defendant will have to serve six months in jail.

Coming—
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A PLACE for wholesome, health-building play in fresh air and sunshine is the birthright of every young Canadian.

Many progressive communities already have safe, well-equipped recreation centres. But more are needed. And in some towns and cities they will be provided through life insurance company investments in municipal bonds.

This is an example of how part of each dollar you invest in life insurance may be *reinvested* on your behalf. Life insurance dollars are put to work every year to help develop the nation's roads, schools, harbors, and other public works and industries.

Thus your life insurance brings a double return. It provides financial protection for yourself and your family. And it helps make Canada a better land to live in!

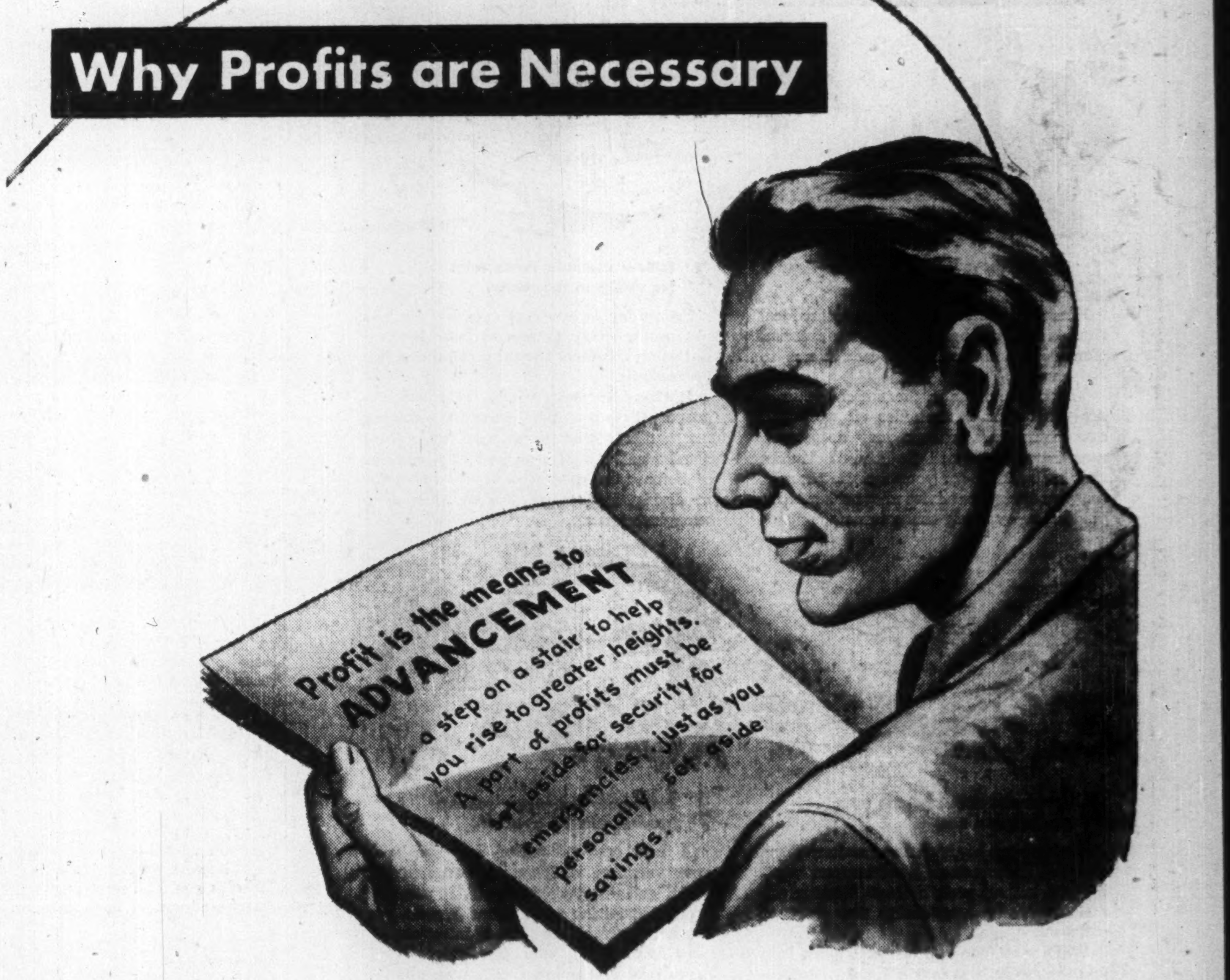
A message from the life insurance companies in Canada and their agents.

It is good citizenship to own LIFE INSURANCE

L-288

SHERRITT GORDON MINES by Apr. 23 agreement with David Barr, Flin Flon, has secured an option on certain mining claims for a total consideration of $200,000 cash (of which $4,000 has been paid) and 55,568 shares of stock. The option is exercisable until Apr. 17, 1951, and cash payments are to be made as follows: $35,000 on Oct. 18, 1948; $50,000 on Oct. 17, 1949; $20,000 on Apr. 17, 1950; $61,000 on Oct. 17, 1950; and $30,000 on Apr. 17, 1951. Shares to be issued follow: 25,000 on Apr. 17, 1949; 20,000 on Apr. 17, 1950; 10,568 on Apr. 17, 1951.

Why Profits are Necessary


Profit is the means to
ADVANCEMENT
a step on a stair to help
you rise to greater heights.
A part of profits must be
set aside for security for
emergencies, just as you
personally set aside
savings.

Profits are necessary to pay for more up-to-date equipment . . . to help business expand . . . to provide more goods and better service to more people. And, a portion of the profits should in all fairness be set aside for the shareholders—those who have thrown in their lot with that business : : : for better or for worse.

The Bank of Toronto has noted, in the years before and since Confederation, the close identification of profits with the public good. Business health and continuous employment depend on an effective co-ordination of both labour and management in realizing legitimate profits which assure progress and promote national well-being.

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Suggestions for

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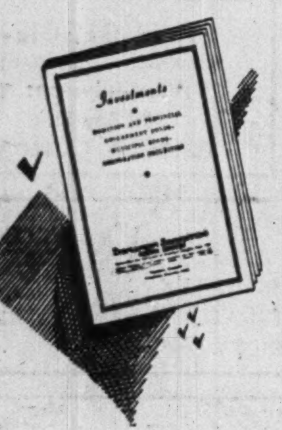

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Higher Minimum Wage Levels Would Bar Industry—Alberta

From Our Own Correspondent

EDMONTON—Raising of minimum wage rates in Alberta, with a resultant increase in other wages, would tend to discourage industries from entering the province, Clayton Adams, chairman of the Alberta Industrial Relations Board, told the Alberta Federation of Labor. Higher minimum levels would also impose a hardship on industries already located here, he added.

The Federation contended that since the present minimum wage rates came into force June 1, 1947, the cost of living had risen $4.15 a week and that the minimum wage should be increased that amount.

The general minimum wage rate now is $18 a week for women and $25 a week for men—the highest in Canada, the Board says, insisting that an increase "would upset our economy in the province."

"When other provinces increase their low depressed minimum rates to our minimum, the Board will review the advisability of ordering higher wages," Adams promised.

G. Tamblyn Ltd. Sales Well Up

Sales of G. Tamblyn Ltd. for the six months ended June 30 were very satisfactory and well above the volume reported for the corresponding period last year, the company states. A new branch store will be opened in Belleville this month while work in three other locations is progressing, all of which should be in operation this year.

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CONSTRUCTION TRENDS

By CLIVE CHATTOE

Mortgage Lending Up 45% in 1947 $135 Million or 65% for Building

A 45% increase over 1946 in the amount of funds flowing into mortgages is recorded for 1947.

Cash disbursements on mortgage loan account by 122 reporting lending institutions now doing 95% of the nation's mortgage business amounted to $204.7 millions. Of that sum, loans for new construction accounted for $133.4 million, or more than two thirds of total volume of business. Overwhelming bulk of lending for new construction was in the housebuilding field, at $106 millions for 25,582 houses and apartments.

Those are salient findings of "Mortgage Lending in Canada," issued last week as first of a series of annual reports by Ottawa's Central Mortgage & Housing Corp. to acquaint the business community for the first time with the scope and trends of mortgage financing in Canada today.

"The figures reflect the achievement in 1947 of the largest volume of housebuilding in Canada's history, with 79,000 new houses and apartments completed — against 67,000 in both 1946 and the 1929 prewar peak — and 81,000 started.

"Of the 81,000 starts in 1947, about one in three was either encouraged by government financial assistance or was undertaken directly by Ottawa.

"Twice as many were for owner occupancy as for rental.

"Of rental housing started in 1947, more than half resulted from either federal aid or direct federal building."

Continuous decline from 1932 to 1945 in mortgage loans outstanding held by corporate lenders was checked in Postwar Year I.

"In 1945," the new report says, "mortgage holdings reached their lowest point in 13 years, with $553 millions outstanding.

"By the end of 1946, holdings had increased to $611 millions and were mounting at an annual rate comparable with the two years of highest real estate lending, 1927-28."

The report covers 122 firms which together now write 95% of lending on construction and real estate by life, fire insurance, loan and trust companies, fraternal and mutual benefit societies and pension fund associations.

Central Mortgage promises to expand future reports with analytical information on interest rates, amortization periods and equity requirements.

* * *

Atomic Energy Signpost For Materials Research

Canada's one-man advisory board to industry has summoned makers of building materials to a new effort — development of a structural substance that will absorb neutrons while withstanding high temperatures.

Trade and Reconstruction Minister Howe in the Commons, reviewing atomic energy developments at the Chalk River, Ont., research plant revealed that fundamental nuclear investigations on radiation's effect on structural material are being pursued as an approach to commercial atomic energy plants.

"It might seem," Mr. Howe said, "that since we are now running a pile and nuclear furnace which gives off heat, it should be easy to develop power on a commercial basis. It's true that the Chalk River plant is discharging hot water into the river which might be used to heat buildings. This could be done but the temperatures are so low that it would cost more than it does by using conventional steam heating.

"This is not because higher temperatures can't be produced but because at the moment the structural materials available that will stand high temperatures are unsatisfactory from the standpoint of absorption of neutrons. This means that much research must be done to develop new materials . . ."

* * *

Says Cost of Controls Limits Radiant Heating

Montreal's G. Lorne Wiggs, consulting engineer recently appraised new heating methods in an address before the Saint John branch of the Engineering Institute of Canada.

Radiant heating, Mr. Wiggs said was least expensive and most satisfactory in schools, hospitals and similar buildings. But for smaller structures, such as houses, the cost of controls made radiant heating less satisfactory.

Development of prefabricated floor and ceiling sections which include plumbing, heating and lighting services also was outlined by the Montreal expert.

* * *

Builders Invite West To Copy Ontario Act

The house renter in Ontario can enter the homeowning group with a down payment $1,000 or $900 on a five-room bungalow.

That's the lowest average first cash installment being charged the buyer of a new low-cost house under Ontario's two-months-old housing act. Such a down payment is about half of the first charge under the most liberal home finance schemes available outside Ontario.

Ontario's new measure to promote home ownership not only is getting sharp attention within the province—6,000 enquiries, 842 applications, 553 loans made in the first few weeks; it has also attracted close scrutiny in other provinces.

The Ontario legislation, which is taking effect now in second mortgages direct from the Government in Toronto but which later, according to intention, may bring equally "generous" terms from private lenders with government guarantee against loss, is winning interested attention in the West.

At Calgary recently, Ontario Planning Minister Dana Porter explained the terms of his Government's new home ownership assistance before a conference of the National House Builders' Association's western chapters. In Edmonton NHBA President George Prudham afterward prepared to urge on the four Western province capitals immediate consideration of similar enactments.

* * *

New Crane at Arvida Is Made of Aluminum

Aluminum, less than a century ago ranking as a precious metal, is beginning to be used in quantity in alloy form as a major contruction material offering substantial savings in weight, space, first and maintenance cost. It is being used in buildings (Laurentien Hotel, Montreal. The Financial Post, March 6). Bridges are being built of it (Arvida, Que., The Financial Post, June 12).

And now lighter "heavy" equipment.

Being installed this month in Aluminum Co.'s rod mill at Arvida is a 15-ton capacity crane with all structural members fabricated of high-strength aluminum alloys and riveted and bolted with the same. Designed and built by Dominion Bridge, it has 97-ft. lattice girders made of extruded channels and angles, rolled plate, rivets and bolts, all of specially alloyed aluminum.

Dominion Bridge, Canada's biggest builder in steel, reports the strength of the alloys used approximately the same as that of structural steel; but to prevent excessive deflection, it was necessary to increase depth of the girders. The crane weighs about 25 tons as against the approximately 47 tons it would weigh in steel. As one result of the weight saving, it was found possible to install a motor of 30% less horsepower than required for a standard crane of the same lifting capacity. Reduction in weight of supporting steelwork also resulted.

Riveting techniques received much attention and valuable data resulted, Dominion Bridge engineers say.

* * *

Scarcity of Experts Slows Bldg. Research

Despite staff recruitment difficulties arising from the nation's record volume of construction activity, Director Robert F. Legget of National Research Council's new Building Research division reports progress toward major expansion of active technical research at Ottawa and proposed regional stations.

Here are highlights of his first report:

By visits to Britain and United States, groundwork has been laid for international co-operation.

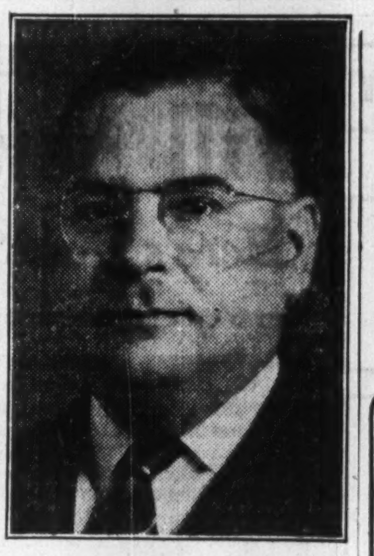
First steps have been taken to develop Prairie and Maritimes regional research stations with others contemplated to follow in British Columbia and the North.

Contacts have been established with larger engineering and building organizations with a view to carrying out research work on actual construction projects. The division's work "will always be primarily of an applied character, though it's hoped eventually to carry out some fundamental studies."

Much information on good building practice is already available but not in general use; a prime activity of the division will be publication of this information in a form suited to Canadian needs.

The division is working closely with other federal agencies concerned with special aspects of building research—including Forest Products Laboratories, Bureau of Mines, geological survey of Department of Mines and Resources, Dominion Bureau of Statistics, Meteorological Service of Department of Transport, Department of Public Works.

The division won't act as a testing agency to determine eligibility of construction materials for use in Central Mortgage & Housing Corp.'s direct operations, but it will report on commercial tests of materials.



W. C. BUTLER

of Toronto has been elected vice-president and chairman of the automobile branch of the Canadian Underwriters' Association.

COMPANY REPORTS

DOMINION TEXTILE CO. net profit for the year ended March 31, 1948 was up 63.9% (including $680,396 revenue from investments). The year was marked by further steps taken under the Government's price control program, with the object of bringing prices of cotton goods in Canada nearer levels based on current values of raw cotton.

Outstanding commitments for capital expenditures at March 31, 1948 amounted to $5,469,894 ($4,315,000 a year before). Expenditures of $2,932,058 were made during the year for buildings, machinery and equipment.

The true level of normal demand for cotton goods in Canada has risen during the past nine years although the trend has undoubtedly been over-emphasized by artificially low prices and subsidization of imported goods it is said.

INCOME ACCOUNT

Years Ended Mar. 31:	1948	1947
Net income	$6,176,112	$4,536,394
Less: Depreciation	1,328,311	1,200,000
Bond interest	129,146	131,896
Bond disc. amort.	13,505	13,505
Income tax	1,870,318	1,461,659
Net profit	2,834,832	1,729,334
Less: Pref. divds.	135,842	135,842
Com. divds.	1,808,977	1,350,000
Trans. pens. res.	......	223,358
Surplus for year	890,013	20,134

Note—At Mar. 31, 1948, total refund. EPT ($565,521) equalled $29.14 per pref. sh. or 22c per new common sh.

Times Bond Interest Earned:		
Before deprec.	47.82	34.39
After deprec.	37.54	25.30
Earnings per Share and Dividend Record:		
Pref.: Earned	$146.08	$89.11
Paid	7.00	7.00
Com.*: Earned	1.05	0.66
Paid (new)	0.30+0.15	......
Paid (old)	2.50	5.00

*After 9-for-1 split on Nov. 28, 1947.

CONDENSED BALANCE SHEET

As at Mar. 31:	1948	1947
Cash	$155,673	$770,985
Accts. rec.	2,249,290	4,115,037
Investments†	10,136,282	7,041,402
Inventories	5,175,630	5,984,514
Total curr. assets	17,716,875	17,911,938
Misc. assets▴	1,194,718	1,186,572
Inv. in & adv. to subs. & affil. cos.	6,531,418	4,670,915
Fixed assets	35,500,048	33,436,232
Total assets	60,943,059	57,205,657
Accts., tax., etc., pay.	3,426,798	2,776,716
Deposits	243,266	280,036
Serial bonds due	100,000	100,000
Total curr. liab.	3,770,064	3,156,752
Funded debt	3,600,000	3,700,000
Deprec. res.	24,121,820	23,409,579
Cont. res.	500,000	500,000
Pension fund	400,000	400,000
Capital stock	21,937,436	20,315,600
Surplus▴	6,613,739	5,723,726
†Market value	11,406,732	8,867,285
▴Inc. refund. EPT	565,521	565,521
Working capital	13,946,811	14,755,186

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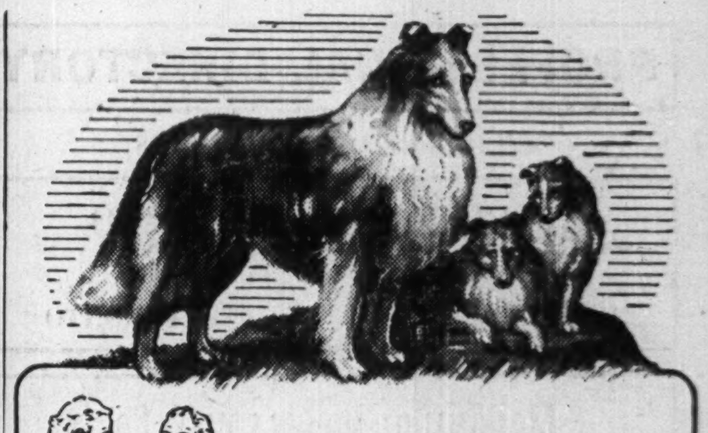

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For homes, offices, hotels, public buildings—wherever good looking, resilient, long-wearing floors are needed—linoleum is the popular choice. In Dominion Battleship Linoleum, Marboleum and Marboleum Tile you have floors of real charm—floors that are colourful, easy to clean, long-lasting and economical.

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ABOUT YOUR TAXES

By STUART THOM

Will New Tax Act Improve System?

Here's How Some Sections Changed in Law Effective Now

Canada has a new Income Tax Act.

Bill 454 of 1947, after nearly a year of study and revision, emerged as Bill 338 in the session of Parliament just concluded and was passed by both chambers in less than 20 days. It has received the Royal assent, and so now has immediate application to corporations and, it would seem, to unincorporated businesses, whose current fiscal period ends Jan. 1, 1949, or later. The new Act will not affect individuals or nonresidents until after Jan. 1, 1949.

The extent to which the new law differs from the old will have been appreciated by those who have studied Bill 454 but the short time during which Bill 338 has been available for public discussion has given almost no opportunity for comparison with its predecessor or with the Income War Tax Act. Nevertheless, many businesses will shortly, possibly within a matter of days, have to take its provisions into consideration. Although the tax officials themselves may have little or no knowledge of the law which they are administering, the taxpayer, as ever, will have to assume all the risks and penalties of any default.

A complete discussion of the new law at this time is not feasible but an attempt can be made to touch on some of the more noteworthy changes and innovations in the law as it affects business. Attention can also be given to some of the recommendations which were advanced by business interests during the past months and the extent to which these recommendations received legislative recognition.

Tax Evasion

The provisions regarding tax evasion will probably take a leading place in any discussion of the new law, and as the activities which the tax administration frowns on so heavily more often than not involve a corporation, some comment on the new legislation is appropriate here. The choice before the Government is either to legislate with reference to particular schemes which, having been put into operation and having achieved some success in reducing taxes, are considered to be reprehensible or to give broad powers to some authority to set aside any and all transactions where it is considered that there has been an avoidance or reduction of taxes.

By inserting section 32A in the Act in 1940 and more particularly by the amendments of 1943, the specific legislative enactments (such as sections 12 to 20 of the Income War Tax Act) were supplemented by giving general powers to the Treasury Board. Despite strong protests from business interests, the principle of section 32A has not only been retained but its effect has been substantially increased. Hitherto the Treasury Board, before it could act, was required to find that the **main** purpose of the questioned transaction was the avoidance or reduction of liability to tax. Under the new law, section 126, it is enough if **one** of the main purposes was improper avoidance or reduction of taxes and subsection (6) says that a transaction may be improper even though it was not illegal. An appeal is provided from an assessment resting on a Treasury Board direction but under the new Act the Exchequer Court can vacate the assessment only if it finds that **none** of the main purposes of the transaction was the improper avoidance or reduction of taxes.

In passing, it will be noted that the Tax Appeal Board has no jurisdiction to consider an appeal of this nature.

Section 126 is supplemented by other provisions also of a general nature. Of these, section 125 (1) is no change from section 6 (2) of the present Act. Subsection (2) of section 125, however, is new legislation which first appeared in Bill 454. It is concerned with indirect payments or transfers for the benefit of a taxpayer but its restrictive effect has been ameliorated by a provision that it does not apply to bona fide transactions entered into by persons dealing at "arm's length." Arm's length is not defined but certain relationships are declared not to be at arm's length by subsection (5) of the interpretation section 127.

Other provisions of a general nature having a close affinity to the Tax Evasion sections so-called, in the new Act are sections 16, 17 and 18. Of these, only section 17 which has to do with sales and other transactions for inadequate consideration is a carry forward of existing law. The cross reference is to sections 23, 23B and 32B of the Income War Tax Act. It will be noted that the new section 17 does not apply to dealings carried on at arm's length. Sections 16 and 18 are new legislation which first appeared in bill 454 and which have been brought forward without change.

Reorganizations

There have also been changes to and additions in the law aimed at specific activities of a sort which, if allowed to go unchallenged, would reduce taxes. The provisions dealing with corporate reorganizations, readjustment of capital structure and winding up are now grouped in section 9. The new Act provides that these provisions do not affect income accumulated prior to 1917 (when income tax was first imposed) and still on hand, except in the case where it is capitalized (subsection 3). It does provide, however, that its provisions apply to income from foreign companies as well as income from domestic companies. This can have the result that a corporate reorganization in a foreign jurisdiction, designed to avoid attracting taxes under the law of that jurisdiction, may nevertheless result in a dividend being deemed to be paid to Canadian shareholders.

Section 9 of the new Act also includes section 13 of the present Act which has to do with tax avoidance which takes the form of holding back corporate profits. A new provision in the law is that the dividend which is deemed to have been paid as the result of the notification by the Minister can be replaced, so to speak, by an actual dividend paid within 90 days thereafter. An appeal by the corporation from the Minister's action, which was asked for by both the Bar Association and the Chartered Accountants, has not been given.

Loans to Shareholders

Section 8 of the new Act dealing with the appropriation of property to shareholders and loans to shareholders, in part reproduces section 18 of the present Act and is in part new legislation. Its application, however, is not restricted in amount to the undistributed income, which is the case under section 18 of the present Act. As in the case of new section 9, section 8 is applicable to the income from foreign companies.

Another new provision is section 27(3) whereby a corporation which trades in shares cannot claim a deduction both in respect of the dividends received from shares in Canadian corporations and losses on the resale of the same shares.

An entirely new provision is section 12(3). Although not identified as a tax evasion provision, it is to the effect that an otherwise allowable deduction may not be made if it did not arise out of an arm's length transaction and if it has not actually been paid within one year after the end of the taxation year, although it may be deducted later when paid.

Accounting Principles

It will be observed that the reference to accounting principles in Bill 454 has disappeared from the new Act. At the same time, what may well be regarded as the first principle of accounting, namely consistency, has been given statutory expression by section 14. The discussions regarding the phrasing of section 4 produced a great variety of opinion and the draftsmen have probably settled on as satisfactory a revision of the clause as is possible in the circumstances. The conception of profit from a business has received judicial consideration in many cases and in particular the accrual method of keeping a company's books is well recognized by the courts.

In line with the recognition of the accrual principle, attention is drawn to section 6 (1) (b) of the new Act whereby amounts of interest received or receivable "depending upon the method regularly followed by the taxpayer in computing his profit" are included in computing income. By section 12(1) (d) the deduction in respect of rent is no longer qualified by the word "paid," as in the corresponding section of the present Act.

Depreciation and Depletion

The policy whereby these allowances are to be governed by regulation was introduced by Bill 454 and has been carried forward unchanged. Paragraph (a) of section 11(1) of the new Act would seem to correspond to the existing depreciation provisions; the allowance as restricted to the capital cost of the property. Paragraph (b) would appear to be the counterpart of the depletion provision in the present Act and no restriction is placed on the amount of the allowance, save the general one that it be reasonable. It will be observed, however, that the allowance for depletion is not restricted to oil and gas wells as was the case in Bill 454 but is now available in respect of mines and timber limits as under the present law.

The administration has also seen fit to re-introduce those provisions designed to recover "extra" or "special" depreciation which are presently to be found in the provisoes to section 6(1)(n). These provisions had not been included in Bill 454 but appear in sub-section 5 of section 11 of the new Act.

Reserves

Representations were made to the Government for some expansion of the reserves which might be allowed in the computation of business income but no change has been made. Other than the specific reserve for doubtful debts, the policy of the legislation is governed by section 12 (1)(e) which reproduces section 6(1)(d) of the present Act.

At the same time, businesses other than banks can find what satisfaction they may in section 11 (6) of the new Act which specifically provides that banks may set aside out of income a variety of special and contingent reserves.

Loans to Non-Residents

The combined effect of sections 8, 96 and 97 is that loans by corporations to a non-resident shareholder may become subject to the 15% non-resident tax. New subsection (2) of section 19 provides that the corporation will not be charged with interest on such loans, in cases where interest is not being paid, if the non-resident tax has been paid.

Charitable Gifts

Bill 454 restricted the class of charitable organizations to which gifts qualifying for a deduction might be made, by providing that the charity had to be operated in Canada. The new Act now reproduces the existing law whereby it is sufficient if the organization is in Canada, so long as it is operated exclusively for charitable purposes. The new statute specifically requires production of receipts.

Inventory

The provision in Bill 454 that the method of valuing inventory shall be the lower of cost or market or in such other manner as may be permitted by regulation has not been changed despite considerable criticism of a legislative enactment which will give a statutory preference to one of several methods whereby inventory may be valued. The reference is to section 14 of the new Act.

Loss Carry-Over

The loss carry-over provision as it now stands in section 5(1)(p) has been carried unchanged through Bill 454 into the new Act. The effective period continues to be five years notwithstanding a recommendation by the Tax Foundation that it be extended to seven years, including three forward and three back.

Scientific Research

A recommendation regarding the allowance for scientific research has been passed over and in order that such may be deducted it is still required that the payments be made in Canada.

Special Taxes

It will be found that the nuisance tax levied by section 9B(1) of the present Act in respect of interest and dividends paid in currency standing at a premium has disappeared. However, the additional 2% levied on corporations which file consolidated returns has been maintained although felt by many to be without justification. A recommendation that a company be allowed to consolidate its returns with those of subsidiaries other than wholly owned subsidiaries was not recognized.

Life Insurance Companies

The section of the existing Act defining that part of the income of life insurance companies which is subject to income tax has been considerably expanded. The new section 29 is understood to set out in detail the practice under the existing section which is 4 (gg).

Corporation Returns

It will be noted that a corporation is now required to file a return whether or not tax is payable. It should also be noted that under section 107 of the new Act "other amounts payable" are debts to His Majesty and may be recovered by judgment. "Other amounts" in this connection would include the installments of taxes and under the existing law the Crown has no power to sue for such installments.

Personal Corporation

The definition of personal corporation to be found in section 61 of the new Act now has the effect that where the corporation is controlled by an individual and members of his family, they need not live together. Under the present practice, the Taxation Division requires that members of the family must live on the same premises.

Foreign Business Corporations

This is the new name given to companies presently known as 4(k) companies. The conditions under which a company may enjoy the benefits of this provision, section 64 of the new Act, have been relaxed. It is now provided that its business operations "except for management and the designing, purchasing and transportation of goods" must be carried on entirely outside of Canada. The added words allow a wider field of activity in Canada.

Security for Payment of Taxes

A new provision, contained in sub-section (4) of section 105, authorizes the Minister "if he considers it advisable in a particular case" to accept security by way of mortgage, etc. for payments of tax arrears.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

VIRGINIA DARE net profit showed an increase in 1947 of 5.9% over the previous year. Two additional units were opened during the year and one in 1948, to bring the total number of stores in operation to 24. Sales for the first five months of 1948 were up 16.4% over the same period in 1947.

A three-story building in Toronto was taken over in 1947 from which a store unit and warehouse and office premises will be operated. The store proper opened earlier this year.

INCOME ACCOUNT		
Years Ended Dec. 31:	1947	1946
Net earnings	$145,765	$160,143
Less: Depreciation	11,640	5,237
Prov. for taxes	56,311	80,000
Add: Prof. on assets	1,480	......
Net profit	79,294	74,906
Less: Pref. divds.	20,001	8,360
Common divds.	40,000	40,000
Surplus for year	19,293	26,546
Earnings per Share and Dividend Record:		
Preferred	$4.96	$4.68
Paid	1.25	0.25¼
Common	1.19	1.10
Paid	0.80	0.80
CONDENSED BALANCE SHEET		
As at Dec. 31:	1947	1946
Cash	$316,697	$362,282
Investments†	173,388	160,513
Accts. rec.	1,188	11,876
Inventories	218,414	145,298
Total curr. assets	709,687	679,969
Prep. exp.§	4,498	4,119
Misc. assets▲	103,707	86,708
Fixed assets*	21,567	11,305
Total assets	839,459	782,101
Accts., etc., pay.	139,047	91,465
Taxes pay.	26,547	108,327
Total curr. liabs.	165,594	199,792
Capital stock	410,000	410,000
Earned surplus▲	‡263,865	172,309
*After depr. of	51,503	47,004
†Market value	172,325	160,475
▲Incl. ref. EPT	53,324	77,000
§Incl. in curr. assets in co's. report.		
‡Includes $72,264 credit re pr. yrs. taxes and reflects adjust. on ref. EPT.		
Working capital	544,093	480,177

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Edmonton Will Give Parking Meters Trial

EDMONTON—City council has approved purchase of 854 parking meters to be installed on business streets for one year's trial. They will cost a total of $63,623, including an installation cost of $5 each. The city will put up no money, as the meters will be paid for from 50% of the collections. After the cost is paid off, the city will receive the entire amount. The meters will be purchased from the Mic-Co Meter Co., Montreal.

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The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Interest Not Calculated

On the Canadian income tax form T1 General 1947 the following two questions are asked:

"Did you or your spouse in 1947 hold any contract for payment from any person without charging interest? If yes, attach particulars.

"Were you or your spouse in 1947 under any contract to pay moneys to any person without interest? If yes, attach particulars."

What is the significance of these two questions? Is there some provision or power granted to the Income Tax Department to fix a minimum rate of interest on personal loans, so that if money is lent to a relative or friend without interest, the lender would be assessed tax on this theoretical interest which he presumably should have received?

These two questions are designed to cover cases where repayment of a loan or the payment of any sum of money is calculated to include both principal and interest, without so stating. Thus a debtor might arrange to pay back a debt of $500 by 22 monthly installments of $25 each. This would amount to $550, of which $500 might be regarded as principal, $50 as interest. Or a person might borrow $500 and agree to return $550. Under the act, (section 3, subsection 2), the Minister of National Revenue has power to decide how much of such payments would be considered principal and how much interest. The tax department does not fix a rate of interest on loans. It would, however, assume what would be a reasonable interest rate under the circumstances. Thus any payments that are actually interest and taxable, could be ascertained.

INVESTMENTS

Imperial Rights

Does the selling price of Imperial Oil common include or exclude the rights to buy International Petroleum common? Does the quotation on rights mean per Imperial Oil share or per International Petroleum share?

Imperial Oil common sold ex-rights on the Toronto Stock Exchange on June 30, 1948. This means that after June 30, 1948, the purchaser of Imperial Oil stock is no longer entitled to the rights. Up until then, sale of Imperial Oil stock meant delivery of the rights with the stock. All bearer share warrants which were delivered to the clearing house up to the close of business on July 2 must have coupon 70 attached.

The rights mean the right to buy 32/100 of a share of International Petroleum. One right is received for each share of Imperial Oil held.

Evening Up On Golds

I hold shares both of Pickle Crow Gold Mines and Central Patricia Gold Mines purchased at much higher levels. In view of the extent of the decline in both these issues don't you think I would do rather well by evening up and buying more of each of these at the present time?

It would hardly appear expedient to buy further shares of either Pickle Crow Gold Mines or Central Patricia Gold Mines to "even up" with the expectation of any immediate rise in shares of these companies to a level which might permit you to get out without any loss whatever. Pickle Crow earned only 8c a share in 1947, while Central Patricia had a loss equal to 2c a share. Thus even present prices for these shares might conceivably be considered rather high in the light of current operating results. From the longer-term standpoint, we are hopeful that both these companies will experience greatly improved results; but it is impossible for us to predict just what time must elapse before really favorable operating conditions develop again. Many people think that the price of gold will have to be revalued before any really worthwhile recovery movement develops.

Both Pickle Crow and Central Patricia have shown their ability to continue operations despite many difficulties, and there has been some improvement in results at both operations, although the improvement is not sufficiently marked as yet to warrant any large degree of optimism. The labor shortage has nearly disappeared but the companies are plagued by high costs and a fixed selling price for the companies' product. A minor degree of relief, however, will be experienced when payments under the Emergency Gold Mining Assistance Act begin soon.

Pickle Crow and Central Patricia have each slightly in excess of a $1-million working capital. Ore reserves are sufficient for 4-5 years' operations in the case of Pickle Crow Gold Mines and approximately three years' milling requirements as regards Central Patricia. Ore disclosures at both properties have been fairly encouraging over the past year, while Central Patricia has a 50% interest in a new gold discovery reported at Little July Falls, east of the main mine.

Geraldton Long Lac

I hold some shares of Geraldton Long Lac but haven't seen anything on the company for some time. Is it still in existence? If so what are its prospects?

Geraldton Long Lac Gold Mines is still in existence but has done little, if any, work in the last three years and as there is little activity in the Little Long Lac area just now, the outlook for your company does not appear very encouraging at the moment. Besides nine claims held near Geraldton, the company also retains 19 claims in the Hutchison Lake sector.

The company has an authorized capital of 2,500,000 shares of which 1,759,989 shares were outstanding not long ago.

You might write the company at Room 1103, 45 Richmond St. W., Toronto, to see if further information can be secured.

Auditor's Responsibility

Is an auditor's prime responsibility to the company's shareholders or to the public?

The responsibility of a company auditor is pretty well determined by the Companies Act of the Dominion and the various provinces. In each of these acts it is indicated that the auditor shall make a report to the shareholders and consequently his responsibility is to the shareholders.

It would appear that auditors are appointed as a protection for shareholders to enable them to ensure that the directors and officers are running the company in the shareholders' interest.

Gold And U.S. Dollar Reserve 'Better, But Not Good Enough'

OTTAWA (Staff) — Canada's holding of gold and U. S. dollars is officially reported at $742 millions as of June 23. This compares with the low point of $461 millions on Dec. 17. But it includes $140 millions obtained by borrowing from the Export-Import Bank at Washington, and repayable in three to five years.

This means that by holding down imports and at the same time enjoying very favorable export sales, we have increased our reserves (apart from the loan) by $141 millions in six months. In the same period last year, our reserves dropped by $579 millions.

One or two supplementary facts were brought out in the House last week by Finance Minister Abbott. He stated that this increase of $141 millions had been built in part by special payments of a nonrecurring character, amounting to $60 millions.

Mr. Abbott also noted that during this period, the Government had advanced $186 millions in credits to United Kingdom and other countries. He pointed out that if we had been able to sell these goods for cash instead of on credit, our reserves would have gone up a corresponding amount. Opposition members later challenged Mr. Abbott to explain how he could argue that this $186 millions was an "offsetting" item in our monthly balance of dollar and gold holdings.

Not Yet Satisfactory

For the future, Mr. Abbott intimated:

1. Canada has "still a considerable distance to go before we can regard our holdings of gold and U. S. dollars as satisfactory."

2. "We hope to play a further part in promoting world recovery within the limits of our reasonable capacity; but we cannot continue to do so on the scale of the recent past."

3. "In particular, the Government believes that it will be possible, toward the end of 1948, to take certain of the commonly consumed fresh fruits and vegetables off the prohibited list and put them under quota, so as to obtain a reasonable quantity of this fresh produce when domestic supplies are beginning to become relatively scarce."

New figures given by Mr. Abbott on the trade position showed that in the first four months of 1948, imports from hard currency countries were $86 millions less in schedules I and II, than in the same months in 1947. Imports from soft or nonschedule countries were $10.6 millions or 22% less in the same period, Canadian exports to the United States rose $136 millions or 34% and exports to all countries $111 millions or 10.5%.

Machinery Firm Fined For Evasion of Taxes

In Toronto, the H. W. Petrie Co. (a machinery corporation) has been fined $25,000 for evading income and excess profits taxes in 1942 and 1943. Taxes involved are estimated at $10,800 in 1942, $31,000 in 1943.

Charges against H. W. Petrie, president and general manager, and John R. Huffman, of acquiescing in, assenting to, or making false returns in connection with the same tax evasions, are pending.

DOMINION TEXTILE CO. has to date allotted to common shareholders 140,681 shares of the Montreal Cottons Ltd., under offer dated Feb. 16, 1948 to holders of common shares of the Montreal Cottons to exchange for common shares of Dominion Textile Co. on a share-for-share basis. Balance of 3,693 shares has yet to be allotted, and the company has initiated proceedings to acquire the balance. There are at present 2,570,681 common shares issued.

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CANADIAN LIST BUREAU
Dept. (F.P.) Room 512,
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G. GINGRAS

of Montreal, has been named a payroll savings director for Quebec, in the third series of Canada Savings Bonds, to be issued next autumn.

John Inglis Sales, Exports Still Rising

Sales volume and profit, before taxes, of John Inglis Co. and its subsidiaries have shown a satisfactory increase in the first two months of the current fiscal year, over same period last year, President James E. Hahn told shareholders at the annual meeting. Sales increase was 16.3% while unfilled orders on hand at June 1, 1948, were 14.8% above those of a year ago.

Sales in the general engineering division during the year ended March 31, 1948 were up 30.8%, and in the consumer products division up 115% from the previous year. The company has exported during the past year or has orders for shipment of a variety of products, to 22 countries, representing every continent, Mr. Hahn said. One order recently received from India covers complete equipment for a mill to produce fine papers from bamboo.

Hon. G. Peter Campbell, K.C., is a new director of the company; former directors were re-elected.

Dom. Stores Sales Rising

Sales of Dominion Stores Ltd. continue to expand in satisfactory volume, President J. W. Horsey told shareholders at the annual meeting.

Difficulties in operation have not improved, due to the acute price situation with respect to meat, which in spite of higher prices, does not increase the gross margin realized by the company, it was said. Until recently the curtailed availability of fresh fruits and vegetables had continued to affect sales and earnings in that department. Local-grown products are now available and this should help.

Development program with respect to new stores continues, and stores recently opened are doing a very satisfactory volume of business, in some cases exceeding anticipations, Mr. Horsey said. Since the annual report was issued plan for selling individual store properties to investors at cost, retaining a protective and satisfactory lease based on a reasonable rental cost, has been finalized and is now in the course of execution. Management has been working on this plan for the past two years, it was disclosed.

The company continues to resist the increases in prices at the consumer level the president said, but the gross margin realized is still thin, due "to the constant attempt of producers and manufacturers to obtain higher prices for merchandise."

Robinson, Little Pays 60c a Share on Common

A dividend of 60 cents a share on the common stock of Robinson, Little & Co. was paid on June 30 to shareholders of record June 15. This had been reported earlier as a special dividend on the class "A" shares.

JASON MINES is reported to have developed an ore length of 500 ft. averaging $17 a ton across 32 in. in new vein on 700-ft. level. The vein strikes east and west at right angles to No. 1 vein, which has been indicated by diamond drilling to depth of 1,000 ft.

ARCHITECTS

ALLWARD & GOUINLOCK
ARCHITECTS
HUGH L. ALLWARD
F.R.A.I.C., F.R.I.B.A., R.C.A.
G. ROPER GOUINLOCK
B.A.Sc., F.R.A.I.C.
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Standard Chemical Co. Special Meet July 28

The special general meeting of preference shareholders of Standard Chemical Co. called for June 29 was adjourned to July 28 due to lack of a quorum. Less than 50% of the issued preference shares were represented at the meeting, held immediately following the annual general meeting of shareholders.

The special meeting had been called to authorize issue of an additional 20,000 shares of preferred stock. The annual general meeting was routine, with reports adopted and directors re-elected.

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The important 4/5 of your drink
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Sparkling
WATER
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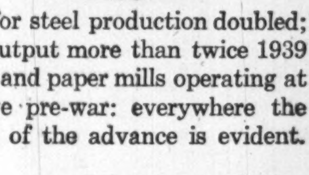
CANADA DRY
Sparkling **WATER**

Today we Live in a Greater Canada

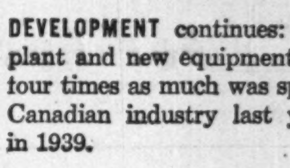
MORE JOBS for Young Canadians

TODAY CANADA'S manufacturing capacity has been increased—and diversified — to an extent never thought possible in pre-war years. Now Canada can do more — can make more — offers far more opportunities to young Canadians commencing their careers today. While established industries have been expanding, new ones have been springing up. Over 200 new products formerly imported are now being made here.

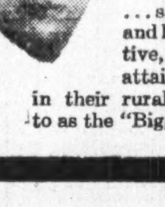
EMPLOYMENT figures, too, tell the story of our emergence as one of the world's great industrial nations; today almost twice as many Canadians are engaged in manufacturing as there were before the war.



CAPACITY for steel production doubled; chemical output more than twice 1939 level; pulp and paper mills operating at 50% above pre-war: everywhere the magnitude of the advance is evident.



DEVELOPMENT continues: on new plant and new equipment nearly four times as much was spent by Canadian industry last year as in 1939.



"...UNTOLD OPPORTUNITIES"

"If one wants to give service and work, Canada is full of untold opportunities — greater than ever. It is well, too, for young Canadians not to overlook small towns and rural parts, because in these places the door is ajar, life can be gloriously free and very full."

...says ROY SHIELDS of Coboconk, Ontario. He and his brother Charles have, by industry and initiative, supported by loyal, hard-working employees, attained a remarkable success as General Merchants in their rural community. Their store has been referred to as the "Biggest Little Department Store" in the country.

ONE OF A SERIES PRESENTED BY
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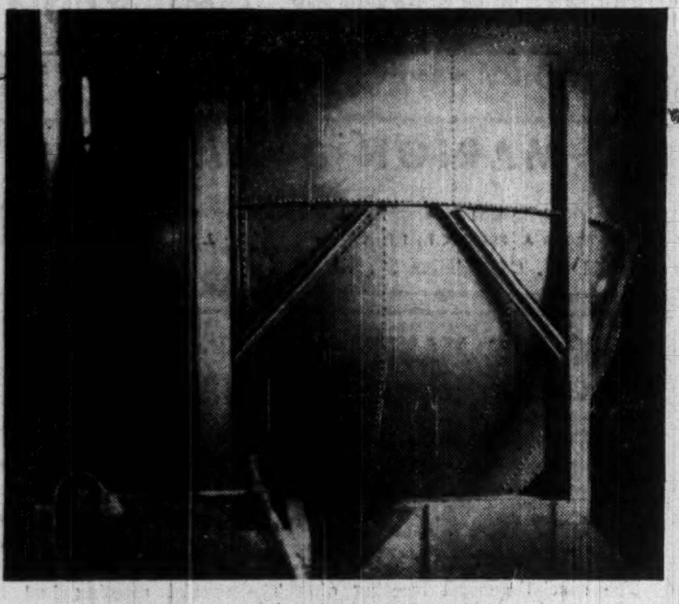
TO PROMOTE A FULLER REALIZATION BY CANADIANS OF CANADA'S PRESENT GREATNESS



1,000 TON ORE BIN

Toronto Iron Works have built an enviable reputation throughout Canadian industry for steel plate products of quality and dependability. This ore bin, one of three designed, fabricated and erected for Preston East Dome Mines Limited, is an excellent example of the company's specialized ability in steel plate construction.

Other steel plate products which T.I.W. manufactures for the Mining Industry are as follows: Agitator and Thickener Tanks; Storage and Solution Tanks; Mill Feed Bins and Hoppers; Clarifiers and Vacuum Tanks; Air Receivers; in fact, anything in steel plate.

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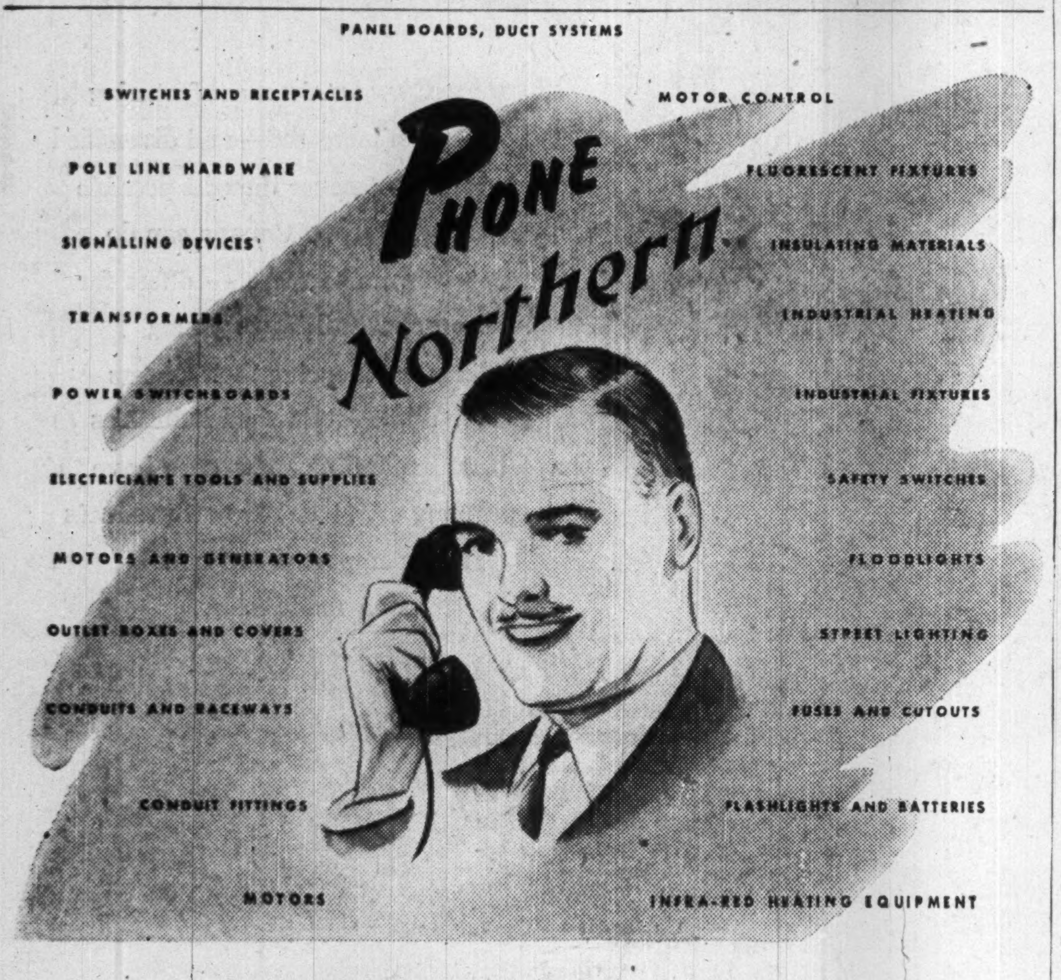
MS-1



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LABOR ROUNDUP

Employment At Record Heights Shortage of Labor Forecast

A definite shortage of labor for the rest of the summer is predicted by Labor Minister Mitchell, in the latest manpower review issued by his Department.

For this time of the year, employment is at record heights. However, the shortage of help will not likely be as acute as last year. Displaced persons and roughly 40,000 university students are expected to make things a little easier.

The total labor force is again climbing close to the record five million mark established last August. More and more jobs are opening up and will do so until the seasonal decline sets in in the fall.

At June 17, there were 63,000 jobs going begging throughout Canada and 119,000 looking for work. That was a 50% improvement over the month before, indicating an accelerated seasonal upswing in industrial employment.

Pay was never higher than at midyear and with pay raises coming up in one or two major industries (autos for one) it promises to go even higher before the year is out.

Average weekly earnings for eight leading industries in May (the latest available) were $39.44. A year ago they were $35.89; two years ago, $32.44; in 1942, $28.56.

* * *

Will Railway Unions Strike?

At midweek, the railway strike deadline was only eight days away but no one seemed very worried despite the catastrophic implications in such a tie-up for the whole Canadian economy. people were still sure, "it can't happen here."

One reason for this optimism was the fact that the door to settlement was still wide open. The union, representing 140,000 workers, had left it open when issuing the strike ultimatum.

Instead of a blunt "strike or else," the union announcement of its decision used the exact words: "the door would be left wide open in the meantime for possible negotiations."

In a letter to the union, the railways said virtually the same thing: "(we) stand ready to join in negotiations . . ."

In the meantime, most of the hope for a settlement rested with the reconvened Conciliation Board whose first recommendation for a 7c-an-hour raise had been accepted by the railways but rejected by the union (they asked 35c originally, now they say they'll take 20c).

The Board held its first meeting last week. The fact that Labor Minister Mitchell reconvened the Board is being taken as an indication that the Government feels the 7c recommendation was not enough. Many believe the third postwar pattern of between 9c-13c would be acceptable to the union.

* * *

Labor Lines Up For U.S. Election

How will American labor leaders line up politically during the 1948 U.S. presidential campaign? This time there is no Roosevelt, around whom labor rallied almost to a man in 1944. Today labor is far from being unanimous. Here's how labor looks to U. S. observers:

Phillip Murray, CIO President already committed to Democratic candidate, whoever it may be. Indications are that CIO would be considerably more enthusiastic if it were someone other than Truman.

William Green, AFL President, will probably support the Democrats if Truman is nominated. However, many of Green's top commanders are staunch Republicans. Officially, the AFL is not expected t endorse any party or candidate but confine its campaign to individual congressional contests.

John L. Lewis looks like a cinch to throw his big United Mine Workers behind Gov. Dewey. If Sen. Taft had won the Republican nomination, Lewis would probably have opposed him solely on the grounds that Taft was coauthor of the Taft-Hartley labor law.

Daniel J. Tobin, head of AFL Teamsters, will likely line up with his superior, William Green behind Truman.

William L. Hutcheson, Carpenters' head, will be on the other side of the fence with the Republicans, along with a number of other top-ranking AFL men.

Walter Reuther, CIO Auto Workers' president is definitely against Wallace, isn't too fussy about Truman, is definitely opposed to Republicans. Observers think he will eventually get behind Truman.

Harry Bridges, pro-Communist CIO longshoremen's leader, is following the Communist party line and supporting Wallace. Because this conflicts with official CIO policy, he lost his job as a regional CIO director but still holds the office of president of the Longshoremen.

A. F. Whitney, president of the Railroad Trainmen, has done a complete about face on Truman. In 1946 when Truman broke the railroad strike, Whitney talked of spending millions to defeat him. Now he has publicly announced he's behind him.

* * *

Coal Miners Are Best Paid

The $1-a-day increase John L. Lewis just got in the soft coal industry lifts coal miners to the top of the industrial wage-earning list in the United States.

The raise boosts average hourly rates to $1.97 or $1.98 for an average weekly income of $80 for about 40 hours work. (Average weekly earnings in the Canadian coal industry in March were $48.40 for 42-hours).

Next highest paid U. S. wage earners are printers. During March they averaged $1.85 an hour, giving them an average weekly income of $71.32 for 38 hours.

Here's how other high-paid U.S. industries stacked up in March, with comparative Canadian rates:

	U.S.	Canada
Iron and Steel	$57.26 (40hrs.)	$43.78 (48hrs.)
Autos	$59.56 (39hrs.)	$47.82 (40hrs.)
Shipbuilding	$62.07 (39hrs.)	$41.95 (41hrs.)
Printing	$71.32 (38hrs.)	$42.28 (41hrs.)

* * *

Vote Complicates Instead of Clarifying

Under Ontario Labor Laws, a union challenging the bargaining rights of another union, must poll 50% of the eligible voters to oust its rival. If not, the challenged union retains certification.

Last week, after weeks of strike, frequently marked by violence, the employees of Rogers Majestic Radio, in suburban Toronto, got their chance to say which union they wanted: the striking and certified CIO Electrical Workers or the challenging AFL Electrical Brotherhood.

After the election, only one thing was clear: The AFL won hands down in the Electronic Division. With 88 eligible and 80 voting, and six votes questioned, the AFL got 64, the CIO 10.

But in the main radio division, things were still up in the air. After looking over the 391 ballots, Ontario Labor Board Official D. W, Mather set aside 67 for consideration later. That left the AFL on top with 148 against 138 for the CIO, but still 49 short of the required majority.

The AFL won the vote but because of the complications arising out of the 67 ballots under question, they have not yet won bargaining rights. Until they do get a clear majority, the UEW will retain its bargaining rights.

The next step will be a hearing before the Labor Board when the segrated ballots will be considered.

To oust the CIO union, the AFL has to get 49 of these ballots. Based on the way the rest of the vote went (148-138) the outlook isn't too bright for the challenger. That would leave the CIO still in control.

* * *

More Liberal Vacation Policy

A definite trend toward liberalization of company policies towards employee's vacations is noted by the United States National Industrial Congress Board.

In a survey covering 307 companies, the Board found that 103 or 33.6% were changing their vacation policies for 1948, most in a manner beneficial to the employees.

Most common change, applying to 44 companies, is to grant longer paid vacations to employees who have five or more years of continued service.

Other changes include: grants of extra time or extra compensation to employees who have a vacation period in which a normally paid holiday occurs.

Reduced eligibility rules.

Vacation pay to workers terminating their employment prior to the vacation season.

Complete shut-down of plant operations to dispose at one time of all vacations.

Changes in manner of computing vacation pay.

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—Photo by Blank & Stoller

E. S. MORSE

of Montreal, has been named a payroll savings director for Quebec, in the third series of Canada Savings Bonds, to be issued next autumn.

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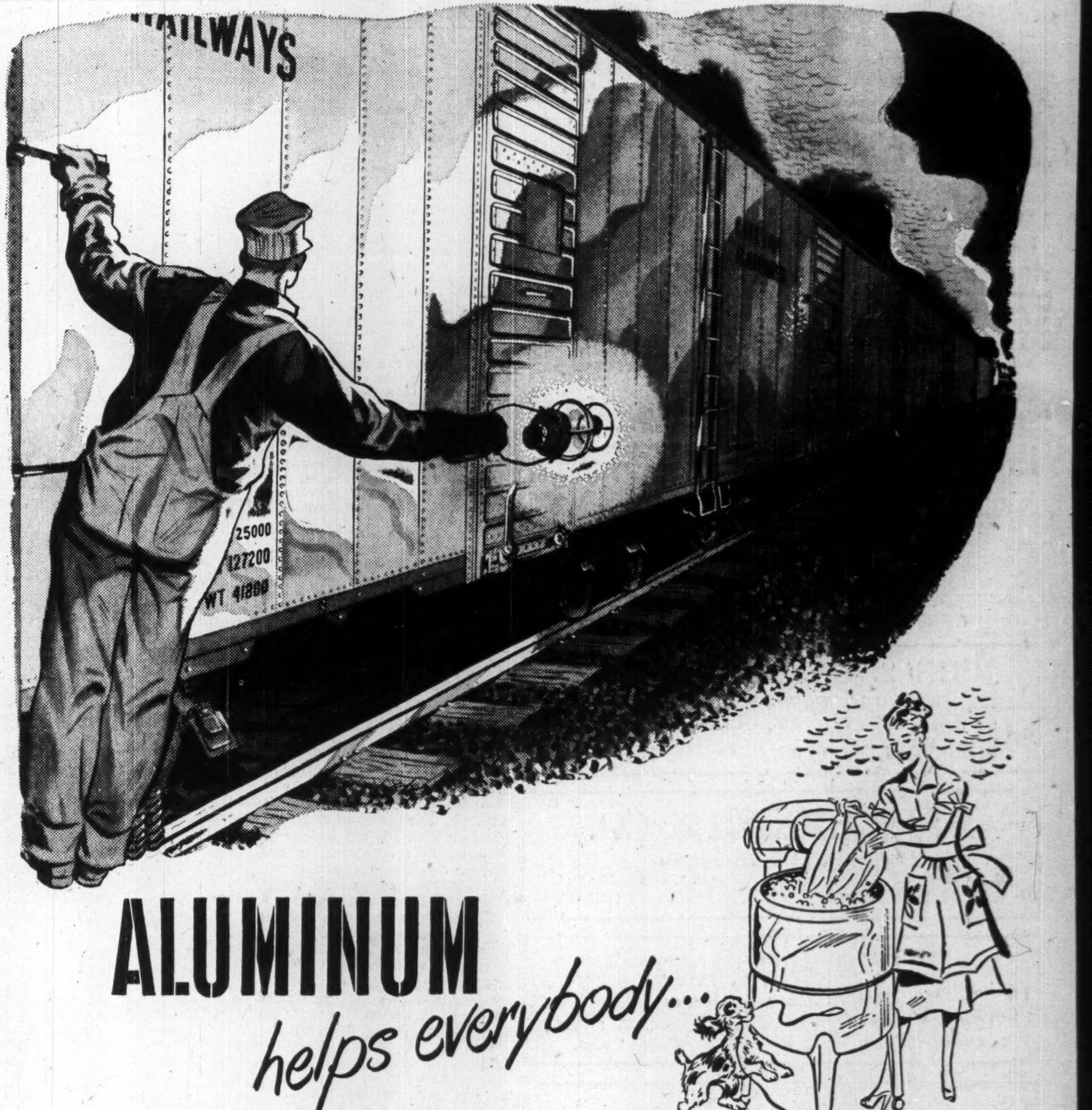
TOFINA GOLD MINES has resolved to wind up voluntarily and appointed Elmore Meredith, Vancouver, liquidator.

EVENING STAR MINES has been granted a winding up order from the B.C. courts and Jesse Kemp, Trail, has been appointed liquidator.



ALUMINUM helps everybody...

in INDUSTRY: Canadian railways, for example, are using more and more aluminum in freight cars and passenger coaches.

in the HOME: too, more and more articles are being made of aluminum — washing machine tubs, for instance.

The reasons? There are many! Aluminum is light, strong, easy to keep clean. It is durable, and it cannot rust. It is economical because, through research and large-scale production, the price has been brought down 25% since 1939.

Today more than 1000 Canadian companies are fashioning aluminum into countless useful and beautiful shapes — as varied as buses and aircraft, garden tools and vacuum cleaners.

Tomorrow its advantages will be adapted to make still other articles which are lighter and more attractive. Next time you go shopping, notice how many things are made of aluminum.

"FOREIGN EXCHANGE"

The aluminum produced in Canada last year found its way to 48 other countries, the largest buyers abroad being the United Kingdom and the United States. Our production was so great that, after Canadian manufacturers had been supplied, we still had 85% left for export — a valuable source of foreign exchange.

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DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 263

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid up capital stock of this Bank has been declared for the quarter ending 31st July, 1948. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the second day of August, 1948, to shareholders of record of the 15th July, 1948.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 10th June, 1948.

IMPERIAL BANK OF CANADA

DIVIDEND NO. 232

Notice is hereby given that a Dividend of Twenty-five Cents (25c) per share has been declared for the quarter ending 31st July, 1948, payable at the Head Office and Branches on and after Monday, the 2nd day of August next, to shareholders of record of 30th June, 1948.

By order of the Board.

I. K. JOHNSTON,
General Manager.

Toronto, 9th June, 1948.

DIVIDEND NOTICE

The CRAIG BIT Company Limited

NOTICE IS HEREBY GIVEN that an initial interim dividend of twenty-five cents (25c) per share, on the outstanding Common shares of the Company, will be payable August 2, 1948 to shareholders of record at the close of business on July 19, 1948.

By Order of the Board.

J. W. CHAPMAN
Secretary

North Bay, Ontario,
June 18, 1948

GREAT WEST COAL COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifty cents (50c) per share on the outstanding common shares in the capital stock of the company has been declared payable on August 14th, 1948, to shareholders of record at the close of business on July 31st, 1948.

By Order of the Board.

ROY W. WILTON,
Secretary.

BRANDON, Manitoba,
June 25th, 1948.

ATLAS STEELS LIMITED

Notice is hereby given that a quarterly dividend of Twenty-Five Cents (25c) per share on the Common No Par Value shares of the Company has been declared and the same will be payable on the second day of August, 1948, to shareholders of record at the close of business on the fifth day of July, 1948.

By Order of the Board.

A. G. HOWEY,
Secretary.

Dated at Welland, Ont.,
June 28, 1948.

McCabe Grain Company Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of 15 cents per share on the outstanding Class A shares of the Company has been declared payable August 1st, 1948, to shareholders of record July 15th, 1948.

By Order of the Board.

H. M. THOMAS,
Secretary-Treasurer.

McCabe Grain Company Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of 10 cents per share on the outstanding Class B shares of the Company has been declared payable August 1st, 1948, to shareholders of record July 15th, 1948.

By Order of the Board.

H. M. THOMAS,
Secretary-Treasurer.

The Sherwin - Williams Company of Canada, Limited

Notice is hereby given that a quarterly dividend of Twenty Cents (20c) per share for the quarter ending May 31, 1948, has been declared on the Ordinary Stock, without nominal or par value, of the Company, payable August 2, 1948, to Shareholders of record the 2nd day of July, 1948.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.,
June 3, 1948.

Loblaw Groceterias Co. Limited

NOTICE is hereby given that a quarterly dividend of 25 cents per share on the Class "A" shares and a quarterly dividend of 25 cents per share on the Class "B" shares of the Company have been declared for the quarter ending August 31, 1948, payable on the 1st day of September, 1948, to shareholders of record at the close of business on the 4th day of August, 1948. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH,
Secretary.

Toronto, June 28, 1948.

REITMAN'S (CANADA) LIMITED

Preferred Dividend No. 5

Notice is hereby given that a regular quarterly dividend of 1¼% (25c) per share has been declared on the outstanding 5% Cumulative Redeemable Preferred Shares of the Company, payable on August 2nd, 1948, to shareholders of record at the close of business on July 15, 1948.

By Order of the Board,

JACK REITMAN,
Secretary-Treasurer.

Montreal, June 18, 1948.

How Czech Reds Got in Saddle

An Exclusive Post Interview With a Czech Official

The following article was written by M. R. Chipman, Montreal manager of the Maclean-Hunter Publishing Company Limited, during a recent tour of Europe.

By M. R. CHIPMAN

PRAGUE — Prague is a city of old-world charm. Would that that were now so; but the old world has given way to the new.

If one had not been in Nazi Germany in 1935 when all was sweetness and light, and had not been fooled by the outward appearance of things, one could superficially conclude that all was well in Prague. Life goes on. The streets are crowded with many still pleasantly-dressed people; the shop windows promise more than the counters within fulfill. And every effort was being made to please the tourist, prior to the forthcoming XIth Sokol Gymnastic Festival. Government, press and other officials were most co-operative to me personally.

But then you get behind the facade of people, to discover the real meaning of the bloodless coup which on Feb. 24 last poured Czechoslovakia into the mold of Marx, if there be any resemblance between Marx's theories and the ruthless realities of today's Communism. The coup was Act I in the drama; the "free" election in May was Act II, the resignation and replacing of Dr. Benes by Klement Gottwald in the Presidency and appointment of Antonin Zapotocky, Trade Union leader, to the post of Prime Minister was the final scene before bringing down the Iron Curtain on the last act. All is now Communist. The transition to tyranny has begun. From now on, what goes on behind the scenes counts more than the curtain speeches, which woo the outside world by their use of great words, that have a different and priceless meaning to us.

* * *

Fierlinger 'Quisling Of Czechoslovakia'?

What is the meaning of their words? An illuminating interview with Zdenek Fierlinger, then Minister of Industry, recently made Second Deputy Prime Minister, gives us a revealing clue. Formerly in the diplomatic corps, he had visited Montreal, Quebec City, Murray Bay and had called on the late William Howard Taft, former president of the United States, there.

Later I learned that many of his fellow countrymen do him the doubtful honor of calling him the Quisling of Czechoslovakia, with apologies to Quisling, who at least was what he claimed to be. Fierlinger, they say, was two-faced. He entrenched himself with the Russians during his stay as Ambassador to Russia throughout World War II, and sold out the Social Democratic party to the Communists in February — which was quite a feat, at that, because he had been thrown out of the leadership of the Social Democrats in November last. He returned by the usual strong-arm methods when the success of the February coup was assured. Just for the record, he was Prime Minister of Czechoslovakia in 1944-45.

He was most cordial and suave, with a keen sense of humor.

It was most gracious of him to see me, a stranger, I began. True I did have the honor of representing the most important publishing house of its kind in Canada. But I would be reporting in The Financial Post, a distinguished weekly business publication whose views, I had to confess, were opposed to his own.

* * *

'Capitalism Doomed, Socialism Universal'

His reply was a classic: "Naturally, its views differ; but that does not matter, since capitalism is doomed. Whatever may be the economic formula 200 years hence, we do not know. But it is now an historic fact that Socialism will become universal."

"What about management in the newly socialized industries?"

"Interestingly enough," he replied, "many in senior management who traditionally might have been expected to accept Socialism as the first step, looking at our today's problems, willingly went straight from their capitalistic views to Communism — because it presented the most all-embracing and experienced planned economy in the world."

What a joyous miracle that they should have seen the great light so quickly in February and since!

"Many did not like what happened" he continued, "but have changed their minds. And they are much happier now. Because if they are naturally good managers or good engineers, for example, they are now at last free to get on with the main job of production, unhampered by all the previous restrictions of capitalism. And there is now a great spirit of camaraderie with the workers. It is exciting and stimulating. You should see it.

"Any thinking person who has been through Czechoslovakia's crisis of unemployment of over one million in 1936, then Munich and the war, will know that a new approach was needed."

"You have Works Councils in industry," I asked. "Yes, representatives of the workers are elected and sit down with management."

On that score I learned from another source that managerial problems are one of the most acute factors in industry since the purge following the "coup" in February. One observer said that the quality of goods and deliveries had deteriorated, partly due to managerial inexperience and partly to sheer insubordination. If the manager had recently become a Communist, the long-time Communist workers, if they disliked his rulings, would report him. Or if he were a Communist and had recently been upped, the workers felt they were as good as he was.

* * *

'Share Your Wealth Or Hasten Downfall!'

"Your economy needs new equipment and raw materials; what if the West does not supply them or does not buy your goods." I asked.

"That would be another great mistake for capitalism, which never seems to learn," he replied. "You need our market, too, even if your continent is wealthy from the war. It should share that wealth. Failing that, it hastens the day of capitalism's downfall, which is inevitable because it carries within itself the seeds of its own destruction."

"May I not return the compliment about Communism?" "No," he replied, "it is today's answer."

"Has it not demonstrated two fundamental seeds of its own destruction" I responded. "One, historically it has not improved the standard of living of the people compared with a free society. Secondly, there is the most challenging of all its contradictions, that it limits the full range of man's mind and spirit because he must not contradict the state."

He replied, "On the first point, you will see that Czech standard of living will rise with the whole energy and will of the working people devoted to production. Russia, despite the devastating setback of the war, has brought her peoples infinite advantage compared with the Czarist days." (But still the standard of living does not stack up by any comparison).

"On the second point, man does not serve his own interests best if he is at odds with the majority's concept of what is best for the state."

Earlier in the interview Minister Fierlinger had said — "Who would have thought, 40 years ago, that the then-ridiculed Socialists would come to power. Or, for that matter, who would have conceded Christ's followers a chance at the beginning?"

On this latter point, the Minister was most vulnerable. Because Christ's daring view in the totalitarian Roman Empire, of the dignity and value of each individual, is precisely why it won against such odds; even as the Communists fear most the free spirit of man.

* * *

'Simplified' Vote Put Reds in Saddle

Coming back to "the majority's concept of what is best for the state," that most pernicious of the Communists' concepts, which says that because 80% allegedly vote for the Party then the minority is entitled to be persecuted for its contrary view, I said: "We of the West do not share your enthusiasm for the methods of getting your majority in the recent election."

"We did not want the confusion of so many parties, that exists in France, for example, "the Minister replied, "We wanted to get on with the nation's work. The people welcomed the simplified vote. It expressed their will, as the results showed."

I mentioned having been in Russia in 1937 at the time the new "democratic" constitution was announced there. I found it repugnant the way they used the great words that had traditional meaning of personal freedoms to us, and yet the Communists' practice was exactly opposite. For instance, using the words "a democratic election" when the Party chose the candidates, there were no opposition candidates and you could only vote against the listed names as a whole — and not by a secret ballot—was a travesty of meaning.

"But no." Minister Fierlinger replied, "Ours is the new approach, to save the bickering and lobbying of many points of view. Consider Italy and its recent election. It was won at a tremendous price in pressure, brought to bear on the individual voter."

"Would you not say there was pressure brought to bear at the time of the February coup?" I replied.

"No, that was the will of the workers gaining expression."

I recalled having been in Russia when the Stakhanovite movement was new — the system named after the individual who learned a better way to mine coal. He and others who used his system successfully were paid a higher wage.

"Of course, that is what happens. We use what is good in the capitalistic method including mass production techniques, but the benefits go to the national economy from a company's point of view."

* * *

'Too Many Strings' To Marshall Plan?

I asked about wages. Real wages had increased somewhat since 1938, he replied. Last year's drought had held up progress, however. Concerning taxes, they had been able to reduce them for the small traders.

"But have you forgotten the turnover tax" I enquired. This is 3% on each movement of goods. For instance, from manufacturer to the jobber, jobber to wholesaler, wholesaler to retailer, retailer to the consumer — an added 12% the consumer pays in that case. Actually Russia collects 85% of her income from this tax.

"Yes, the turnover tax is a good idea," said Fierlinger. "The state in all countries has to squeeze out taxes. The turnover tax is indirect, and hence painless. I commend it to you."

Referring back to his suggestion that the North American continent should share its wealth, I asked him what better example there could be of that than the Marshall Plan, of which Czechoslovakia had been a beneficiary until Russia had prevented it.

"Marshall aid," he replied, "places too much emphasis on consumable goods, where there should have been more capital goods to build up each economy on a more permanent basis. But America does not want that. Besides, too many strings were attached."

He was wrong on his suggestion that capital goods are not available through the Marshall Plan; and I heard a number of local views that Czechoslovakia had everything to gain through the acceptance of Marshall aid, especially where it would have assured more definitely, much-needed raw materials and industrial equipment.

"Let's meet again in five years and observe the state of Czechoslovakia's standard of living" were my last words with Minister Fierlinger.

"And the state of your capitalistic system, too, if I live," said he. Whether these last three words had any special significance I do not know. But let us remember them in the news.

DIVIDEND NOTICES

Purity Flour Mills Limited

DIVIDEND NOTICE

Cumulative Redeemable Preference Shares

Notice is hereby given that the regular quarterly dividend of sixty-two and one-half cents (62½c) per share, on the Cumulative Redeemable Preference Shares of the par value of $40 each, will be paid on the 1st day of August, 1948, to shareholders of record at the close of business on the 9th day of July, 1948.

This dividend covers the period from 1st May, 1948, to 31st July, 1948.

By Order of the Board,

A. H. DENOON,
Secretary.

Toronto, Ontario,
5th July, 1948.

Purity Flour Mills Limited

DIVIDEND NOTICE

Common Shares of the par value of $10 Each

Notice is hereby given that a semi-annual dividend of twenty-five cents (25c) per share, (being at the rate of 50c per share per annum) on the Common Shares of the par value of $10 each will be paid on the 1st of September, 1948, to shareholders of record at the close of business on the 13th day of August, 1948.

By Order of the Board,

A. H. DENOON,
Secretary.

Toronto, Ontario,
5th July, 1948.

B. C. Takes Steps to Clear Benefit Societies' Status

From Our Own Correspondent

VICTORIA—British Columbia moved last week in a major step to clear up the indecision affecting the status of the many health and benefit societies in the province.

Six licenses were issued, while the North Pacific Health & Accident Association was refused this needed government permission to operate. S. W. Taylor, insurance superintendent, said the action followed an investigation by John C. Oswald, chartered accountant, who reported the association short $70,904 of the amount required to meet members' claims and other current indebtedness. Three other associations are still under investigation, Mr. Taylor said.

Following a Royal Commission probe of two years ago, earlier action saw Attorney-General Gordon Wismer suspend six groups, while a seventh voluntarily ceased operations.

The following group [illegible] re licensed:

Associated Hospital Services of British Columbia (Blue Cross); The British Columbia Mutual Benefit Association; the Family Assurance Society; Medical Services Association (M.S.A.); Sumner Mutual Benefit Association; the Telephone Employees' Mutual Services Association.

CANADIAN INDUSTRIAL ALCOHOL net profit for the nine months ended May 31, 1948 totaled $1,411,362 ($1,094,823 in 1947). This represents earnings on the combined Class A and B stock of $1.27 a share (98 cents in 1947). Operating profit for the nine-month period increased from $1.8 millions in 1947 to $2.3 millions. Tax provision rose from $980,688 to $1,170,363.

HUGH E. KENT

has been elected first vice-president of Bromo-Seltzer Ltd. He was formerly assistant to the president, and was in charge of sales and advertising.

Now Arranging Third Series Savings Bonds

OTTAWA (Staff) — A third series of Canada Savings Bonds will be offered this fall, the Bank of Canada has announced on behalf of the Minister of Finance. Preparation for the issue started this week, but terms will probably not be definitely announced until September.

It is expected that the new security will retain the features of the first two series and will be available for cash and through the various methods of installment purchase, including the payroll savings plan, which has proved popular.

Since the introduction of Canada Savings Bonds in 1946, applications have totaled more than 2.1 millions with a total value over $818 millions.

It was also believed that a savings instrument with the features of Canada Savings Bonds would serve a useful purpose by giving further stimulus to the saving tendency developed by Canadians during and since the war. Present holdings have already rendered more than a million Canadians better able to meet personal emergencies or to carry out future plans. Such individual and family resources are an element of strength and stability in the nation, it is pointed out.

To organize and direct the new series, six regional payroll savings directors have been appointed. They are: British Columbia, L. F. Worsley, Vancouver; Prairies, H. A. Benham, Winnipeg; Ontario, J. H. Ratcliffe, Toronto; Quebec, G. Gingras and E. S. Morse, Montreal; Maritimes, C. T. Watt, Saint John.

COMPANY REPORTS

HOLT RENFREW & CO. operations for the year ended Jan. 31, 1948 resulted in a net profit of $46,089 as compared with a net loss of $416,646 for the previous year. Considerable progress has been made towards recovery from the effects of the heavy losses of the previous year in raw fur transactions, the annual report states. The company has confined its operations almost exclusively to the operation of its specialty shops and results have been profitable. Retail sales have increased in volume again this year.

The account receivable from Motty Eitingon, Inc., has been reduced further as that company's operations were not as successful as anticipated with the result that a new plan had to be submitted to creditors. It is anticipated that the company will be able to pay the amount now shown in the balance sheet.

Some further losses were experienced in liquidating raw and dressed skin inventories which, however, are now reduced to comparatively small figures, it is stated.

CONS. INCOME ACCOUNT

Years Ended Jan. 31:	1948	1947
Net earnings	$679,067	$1,281,731
Less: Deprec.	85,377	117,045
Interest	17,545	8,515
Inv. in subs. w/d	......	22,099
Loss re invent. w/d	64,566	896,471
Loss re invent. sale	465,490	......
Acct. rec. w/d	......	1,714,683
Add: Tax claim	......	624,300
Trans. from res.	......	436,141
Net profit	46,089	▲416,646
Less: Pref. divd.	......	70,000
Surplus for year	46,089	▲486,646

▲Loss or deficit.

Earnings per Share and Dividend Record:		
Preferred	$4.61	d$41.66
Paid	......	7.00
Common	d2.39	d48.66
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Jan. 31:	1948	1947
Cash & Dom. bds.	$607,696	$103,590
Accts. rec.	953,010	812,443
Inventories	1,155,148	1,399,256
Raw furs in US.	111,395	1,250,704
Total curr. assets	2,827,249	3,563,993
Tax recov.	854,488	847,476
Investments	154,991	178,578
Misc. assets▲	503,944	754,941
Properties*	1,048,457	1,406,036
Goodwill	772,454	772,454
Total assets	6,161,583	7,525,478
Bank loan	1,669,098	2,506,113
Accts., taxes, etc.	1,565,094	2,181,322
Total curr. liabs.	3,234,192	4,687,435
Funded debt	500,000	......
Deprec. res.	......	335,000
Capital stock	2,000,000	2,000,000
Surplus▲	427,391	503,043
▲Incl. ref. EPT	91,010	66,776
*After depr. of	475,960	......
Excess of curr. liabs. over curr. assets	406,943	1,121,442

Grain Prices

Winnipeg Grain Futures

Week to July 5, 1948

Crop year from Aug. 1, 1947 High	Low		High for week	Low for week	Close July 5
		Oats			
.98¾	.68½	July	.96	.90⅜	.91¼
.85½	.66⅜	Oct.	.85½	.80⅞	.84¾
.81¼	.77⅜	Dec.	.81¼	.79¼	.80⅜
		Barley			
1.25½	1.03¾	July	1.21⅝	1.18	1.19⅝
1.25¾	.96½	Oct.	1.10¾	1.05⅛	1.10⅜
1.07½	1.03¼	Dec.	1.07½	1.04¾	1.06⅞
		Rye			
3.93½	3.01	July	2.67½	2.60	2.60
3.05¼	1.68	Oct.	2.10½	2.03	2.09¼
1.99½	1.91	Dec.	1.99½	1.95½	1.98

Cash Quotations

	For Week July 5 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.94½	.90⅞	.95	.93¼
3 C. W.	.92½	.88½	.94	.92
Barley				
1 Feed	1.15½	1.14½	1.17⅜	1.14¾
2 Feed	1.11	1.09⅝	1.11⅞	1.10¼
Rye				
2 C. W.	2.71½	2.64	2.74¾	1.84¾

Prairie Floods Declare Boon For Farmlands

From Our Own Correspondent

REGINA—Floods which this year drenched the prairies may be a blessing in disguise to the prairie farmer, according to E. L. Gray, director of water development for PFRA. For water on the prairies means crops, he said, declaring that the long-term results in raising water levels, should more than cancel out property damage from the flood.

Mr. Gray said flood waters had filled natural and artificial reservoirs to their highest level in several years. The water would leave the land in much better condition for farming and had staved off—for at least another two or three years—the possibility of a return to dust-bowl conditions.

The heavy flow of water rejuvenated drying streams and lakes, and seeped deep into the ground to replenish wells and springs.

"One real dust storm would probably do more damage to property than the floods did," he said.

Meanwhile, the province has guaranteed rural municipalities an initial $25,000 toward repairing flood damage, and is conducting a survey to estimate total loss.

Sask. Crops Require Rain

From Our Own Correspondent

REGINA — Crops throughout the province are rapidly deteriorating due to lack of rain, the Saskatchewan Pool Elevators reports. Grasshoppers and cutworms are causing heavy damage, particularly in western and northwestern regions.

Late-sown wheat and coarse grains are urgently in need of general and penetrating rainfall. This condition persists in spite of good showers in a number of areas during the past week. These rains will benefit early wheat, the crop report suggests, but in general "it is feared that the heads will be short, and this unfavorable feature is a decidedly important one in final returns."

The condition figure for the wheat crop, as prepared by the Pool Elevators, shows a further drop of eight points in the week ended June 25. It then stood at 105, as compared with 113 at the end of the previous week. At the corresponding date last year the figure stood at 143.

These condition figures are based on 100 as representing a crop which, if remaining unchanged, would equal the long-term average of 15 bushels per sown acre in Saskatchewan.

Average condition of the oat crop is shown at 86, against 90 at June 19 and 115 at the corresponding date last year. Barley condition was 98, compared with 119 at the same date in 1947. Average condition of the flax crop is 88 (122 a year ago).

Grasshoppers continue as the most destructive insects in this crop season, although cutworms are active, particularly in the north. Poisoning operations are continuing and although cool and showery conditions have retarded the 'hopper menace, destruction is continuing through wide west and northern regions.

S. Alberta Dairy Pool Sets Record

From Our Own Correspondent

CALGARY—A $1 million business is reported for 1947 by the Southern Alberta Dairy Pool.

William Burns, Three Hills, Alta., was re-elected president of the Association, which broke all records for volume and value of business.

The organization operates creamery plants at Calgary, Brooks, Acme and Hanna and a cheese factory at Rosemary. It also has an active honey section and handles eggs and poultry.

Chris Toppenberg, Calgary, general manager, told the meeting that removal of ceiling prices on butter sent both cream and butter prices skyrocketing without any sign of a slackening in demand. Cheese, however, was a different story. With the halting of most cheese imports by Britain from Canada, Ontario cheese, which used to move overseas, was being backed into Western Canada, to the detriment of the western industry.

Alta. Coal Production Runs Lower This Year

From Our Own Correspondent

EDMONTON—Alberta coal production for the first five months of this year was 2,834,518 tons, a drop of 501,522 tons from the same 1947 period, John Crawford, chief inspector of mines, reports. May production was 588,271 tons (618,354 in the same 1947 month).

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THIS WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JULY 2

Montreal and Toronto Winnipeg, Calgary and Vancouver

Mining Stocks

Range 1948 High	Range 1948 Low	Div. Rate $	July 2 Yield %	Company	Sales	Last June 25	Week Ending July 2 High	Low	Close
.90	.60	.....	....	Akaitcho	2,500	.75	.73	.73	.73
.13	.03	.....	....	Alger	7,500	.03½	.03½	.03½	.03½
.38	.10	.....	....	Amal. Lard.	17,500	.12½	.13	.12	.12½
.45	.22½	.....	....	Amer. Neph.	2,500	.32	.34	.32	.34
.18	.08	.....	....	Amer. Y.K.	15,500	.15½	.15½	.14	.14½
9.20	8.25	.20	2.4	Anglo-Hur.	4,310	8.35	8.40	8.40	8.40
.68	.32	.....	....	Anglo-Rou.	1,500	.58	.55½	.53	.55
.14½	.05	.....	....	Area	1,000	.12	.11	.11	.11
.15	.06	.....	....	Arjon	10,100	.10	.10	.09	.09
.39	.15	.....	....	Armistice	11,500	.21	.24	.18	.24
.16	.05½	.....	....	Ashley	29,500	.06½	.07	.05½	.06
.12	.06	.....	....	Astoria Q.	2,000	.06½	.07	.07	.07
.15	.09	.....	....	Atlas Y'fe	2,500	.13½	.11½	.10	.10
.15	.08	.....	....	Aubelle	4,400	.10½	.10½	.10	.10
.25	.15	.....	....	Aumaque	500	.18	.18	.18	.18
4.00	3.00	.20	6.3	Aunor	1,050	3.20	3.20	3.20	3.20
.20½	.08½	.....	....	Bagamac	3,750	.16½	.13½	.13	.13
.17½	.07	.....	....	Band Ore	500	.10	.09	.09	.09
.08	.03	.....	....	Bankfield	3,800	.05	.05½	.05	.05½
.24	.09	‡.20	....	Base Metals	24,900	.20	.20½	.19	.19½
.06½	.04	.....	....	Bayonne	2,000	.04	.04½	.04	.04½
.07	.05	.....	....	Beatrice	2,000	.05	.05	.05	.05
.25	.09	.....	....	Beaulieu	11,500	.11	.12	.11	.11
.65	.25	.....	....	Berens R.	500	.25	.30	.30	.30
.60	.24	.....	....	Bevcourt	12,100	.25	.26	.24	.24
.28	.15	.....	....	Bidgood	8,100	.16	.16½	.15	.15
.17	.10	.....	....	Bobjo	1,000	.12	.12	.12	.12
.33	.10	.....	....	Bob's Lake	16,500	.24½	.27	.23	.24
.57	.28	.....	....	Bordulac	14,500	.46	.47	.39	.39
.06	.03	.....	....	Boycon P.	1,000	.05	.03½	.03½	.03½
11.00	7.40	♦	....	Bralorne	3,940	7.70	8.00	7.45	7.50
.10	.04½	.....	....	B.R.X. Con	13,750	.10	.09½	.08½	.09½
.99	.15	.....	....	Buffadison	3,700	.18	.17	.15	.17
2.40	1.50	.....	....	Buffalo Ank.	1,200	1.63	1.61	1.60	1.60
.15½	.06	.....	....	Buff. Can.	3,500	.06	.08	.06	.08
.25	.07	.....	....	Buff. R. L.	2,500	.08	.09	.08	.08
18.00	15.50	.....	....	Bulolo Gold	50	16.00	15.50	15.50	15.50
.65	.07	.....	....	Calder B.	2,000	.07	.07	.07	.07
.18	.06	.....	....	Callinan	43,000	.17	.17	.15	.16
3.00	2.15	.....	....	Camp R.L.	2,000	2.60	2.65	2.40	2.65
.56	.28	.....	....	Candego	2,700	.30	.30	.28	.30
.19	.10	.....	....	Canusa	1,000	.11	.10	.10	.10
2.70	1.21	.....	....	Cariboo	900	1.30	1.30	1.30	1.30
.05	.02	.....	....	Cartier M.	9,500	.03	.03	.02	.02
1.80	1.10	.....	....	Castle Tre.	900	1.65	1.56	1.51	1.51
1.40	1.05	§.06	....	Cen. Pat.	1,700	1.10	1.18	1.16	1.16
.33	.13	.....	....	Cen. Por.	3,800	.14	.15	.14	.14
.11½	.09	.....	....	Century	500	.10	.09	.09	.09
.08½	.04	.....	....	Cheskirk	500	.04½	.04½	.04½	.04½
3.00	2.20	§.05	....	Chesterv'le	910	2.22	2.30	2.20	2.25
.30	.11	.....	....	Chimo G.	1,500	.13	.13	.12	.12
1.34	.75	.....	....	Chromium	90	1.01	1.10	1.10	1.10
.05	.03	.....	....	Citralam M.	8,000	.03	.03	.03	.03
2.45	1.76	§.03	....	Cochenour	1,450	1.86	1.86	1.83	1.83
.27	.10	.....	....	Coin Lake	2,082	.20	.20	.20	.20
.07½	.05	.....	....	Colomac	6,300	.06	.05½	.05½	.05½
.04	.02	.....	....	Congress	9,000	.03	.03½	.03	.03½
1.10	.65	†.02	....	Coniaurum	750	.95	.95	.90	.95
.85	.55	.....	....	Cons. Beattie	3,615	.62	.61	.60	.60
.22	.10	.....	....	Cons. C.Cad.	4,500	.14	.13	.12½	.12½
1.24	.70	.....	....	Conwest	15,400	1.15	1.16	1.10	1.16
.15	.05	.....	....	Cortez	5,000	.10½	.10	.09	.09
.30	.19	.....	....	Crestaurum	2,500	.23	.22	.20	.20
.90	.50	.....	....	Croinor	1,300	.55	.55	.55	.55
.19	.10	.....	....	Crowshore	11,200	.16	.15½	.14½	.15½
.21	.07	.....	....	D'Aragon	2,000	.08	.08	.07½	.07½
1.60	1.05	.....	....	Delnite	900	1.20	1.15	1.11	1.11
.10½	.05	.....	....	Denison	3,000	.07	.06½	.06½	.06½
.48	.11	.....	....	Detta R.L.	5,000	.14	.14	.12	.12
.45	.30	.....	....	Dexter R.L.	1,500	.32	.30	.30	.30
.82	.45	.....	....	Dickenson	4,000	.58	.59	.55	.55½
.64	.39	.....	....	Discovery	34,500	.42	.43	.39	.40
.65	.39	.....	....	Divers M.	5,700	.43	.43	.39	.42
23.75	16.50	†.67½	....	Dome M.	335	16.75	17.00	16.50	16.87½
1.10	.51	.....	....	Donalda	8,300	.70	.70	.68	.68
.30½	.17	.....	....	Dulama	17,500	.22	.21	.20	.21
.74	.19	.....	....	Duquesne	6,300	.20	.20	.19	.20
.12	.05	.....	....	Duvay	6,000	.06	.06½	.05½	.06
.33	.07	.....	....	East Amph.	7,000	.07½	.07½	.07	.07½
2.01	1.45	.....	....	East Mal.	2,200	1.55	1.60	1.46	1.50
3.50	1.60	.....	....	East Sull.	12,300	2.80	2.77	2.60	2.65
.74	.40	.....	....	Elder	17,500	.44	.45	.40	.40
1.56	.55	.....	....	Eldona	551,600	1.48	1.40	1.16	1.35
4.55	1.15	.....	....	Eureka	7,375	2.33	2.33	2.25	2.25
5.05	3.60	.....	....	Falconbridge	400	4.40	4.55	4.25	4.25
.07	.03	.....	....	Federal	1,500	.05½	.05½	.05	.05
.04	.02	.....	....	Flin Flon	1,000	.03	.03	.03	.03
.20	.07	.....	....	Formaque	2,300	.09	.10	.10	.10
.61	.49	.....	....	Forty-Four	333	.60	.59½	.59½	.59½
.06½	.02½	.....	....	Found Lake	6,000	.02½	.02½	.02½	.02½
2.29	1.30	.....	....	Frobisher	2,050	1.98	1.90	1.82	1.88
.12	.08½	.....	....	G. Copper	900	.10	.10½	.10	.10
6.10	2.90	.....	....	Giant Y'fe	2,584	4.60	4.75	4.50	4.75
.14	.05	.....	....	Gillies L.	1,500	.08½	.08½	.08½	.08½
.04	.02	.....	....	Glenora	500	.02½	.02	.02	.02
1.09	.48	.....	....	God's Lake	11,100	.60	.60	.58	.58
.19	.11	.....	....	Goldale	1,400	.15	.16	.15	.15
.20½	.09	.....	....	Goldbeam	200	.09	.09	.09	.09
.16	.04	.....	....	Golden A.	3,000	.08	.08	.08	.08
2.70	1.95	.....	....	Gold Man.	5,050	2.50	2.47	2.35	2.40
.09	.03	.....	....	Goldoro	4,000	.03½	.03½	.03½	.03½
.25½	.10	.....	....	Goldvue	9,405	.14	.14½	.12	.13
.18	.13½	.....	....	Grandora	500	.13½	.18	.18	.18
.30	.17	*§.03	....	Grandview	283	.23	.20	.20	.20
.07	.04	.....	....	Grull W.	2,500	.04	.04½	.04	.04½
1.15	.60	.....	....	Guayana	4,500	.95	.91	.88	.90
3.20	.40	.....	....	Gulf Lead	21,050	2.95	2.90	2.35	2.38
.05½	.03½	.....	....	Halcrow	500	.04½	.05	.05	.05
.32	.12	.....	....	Hard Rock	1,000	.14	.14	.14	.14
.12	.05	.....	....	Harker	6,000	.06	.08	.06	.06
.95	.66	.....	....	Hasaga	6,616	.72	.70	.68	.70
.16	.05	.....	....	Heath	1,000	.06	.06½	.05	.05½
.97	.42	.....	....	Hedley M.	11,600	.50	.49	.42	.42
.24½	.10	.....	....	Hev. G.M.	8,000	.11	.10½	.10	.10½
.75	.50	†.08	....	High Bell	5,950	.61	.62	.60	.60
.08	.05	.....	....	Highridge	1,000	.05	.05½	.05½	.05½
12.00	8.50	.24	2.8	Hollinger	1,790	8.80	8.65	8.50	8.55
.09	.05	.....	....	Homer Y'fe	500	.05½	.05½	.05½	.05½
.42	.25½	.....	....	Hosco	4,450	.38	.38	.36	.36
.32	.18	.....	....	Howey Gold	3,200	.22½	.23	.18½	.22
1.05	.26	.....	....	Hoyle	1,000	.30	.35	.35	.35
53.50	43.50	†3.00	....	Hudson Bay	1,657	52.25	52.50	52.00	52.00
.12	.03	.....	....	Hudson R.	2,000	.04	.05	.05	.05
.04	.02	.....	....	Hugh Mal.	3,000	.02	.02½	.02½	.02½
.07	.04½	.....	....	Indian L.	2,500	.05	.05	.05	.05
.51	.33	‡.02	....	Inspiration	1,400	.40	.40	.40	.40
.84	.40	.....	....	Int. Uran.	23,805	.60	.59	.56	.57
.06	.03	.....	....	Jack Lake	500	.03½	.03	.03	.03
.07	.03¾	.....	....	Jacknife	5,000	.04	.04	.03¾	.03¾
.03½	.01½	.....	....	Jacola	1,500	.02	.02	.02	.02
.18	.07	.....	....	Jason M.	26,000	.08	.08½	.07½	.08
.58	.17	.....	....	Joburke	12,550	.25	.21	.17	.17
.04	.01½	.....	....	J. M. Cons.	1,000	.01½	.02	.02	.02
.52	.25	.....	....	Joliet Que.	4,100	.40	.39	.36	.38
.14	.05	.....	....	Kay Rand.	2,000	.10½	.11	.09	.11
.27	.14	.....	....	Kelore	4,908	.20	.21	.14	.18½
15.00	11.75	.18	1.4	K.'Addison	3,975	12.00	12.50	11.75	12.50
.22	.08	.....	....	Kirk. G.G.	35,550	.10½	.10½	.08½	.09½
.60	.36	.....	....	Kirk. H. Bay	1,600	.55	.55	.52½	.55
1.78	1.32	.04	3.0	Kirk. Lake	7,000	1.38	1.38	1.32	1.35
7.75	4.10	.....	....	Labrador	255	5.60	5.50	5.30	5.30
.06½	.02½	.....	....	Laguerre	6,500	.03½	.03½	.03½	.03½
.86	.38	†.05	....	L. Dufault	11,700	.76	.75	.72	.73
.05	.02	.....	....	L. Fortune	5,000	.03	.02½	.02½	.02½
.15	.07	.....	....	L. Rowan	1,000	.07	.07	.07	.07
14.75	10.50	.72	6.9	Lake Shore	500	10.87½	11.12½	10.50	10.50
.70	.25	.....	....	Lake Wasa	3,200	.35	.35	.32	.35
3.00	2.00	.....	....	La Luz	200	2.25	2.25	2.23	2.25
6.95	5.40	†.08	....	Lamaque G.	200	5.40	5.50	5.40	5.40
.07½	.04	.....	....	Lapa Cad.	500	.05	.04½	.04½	.04½
.08	.04	.....	....	Larder "U"	16,500	.04½	.04½	.04	.04
.04½	.02	.....	....	Lebel Oro	7,320	.03	.03½	.02½	.02½
1.25	1.00	.08	7.0	Leitch Gold	700	1.16	1.16	1.15	1.15
.16	.07½	.....	....	Lencourt	1,000	.10	.07½	.07½	.07½
.59	.29½	.....	....	Lingman L.	9,000	.32	.32	.30	.31
.08	.03	.....	....	Lingside	1,000	.04	.03	.03	.03
1.50	.72	‡.04	....	Little L.L.	5,200	.80½	.79	.72	.72
1.50	.40	.....	....	Louvicourt	18,400	.60	.60	.55	.59
.20	.09½	.....	....	Lunward	3,000	.09½	.15	.14½	.14½
3.00	2.20	§.06	....	Macassa	1,700	2.45	2.45	2.35	2.35
1.95	.53	.....	....	MacDonald	16,550	.69	.70	.60	.60
.12	.07	.....	....	Macfie	1,500	.08	.08	.07	.07
1.54	.95	.....	....	MacLeod	3,600	1.00	1.00	.97	.97
3.15	2.25	.08	3.5	Mad. R.L.	6,400	2.40	2.42	2.25	2.30
.40	.18	.....	....	Magnet	1,000	.24	.21	.20	.21
1.95	1.50	.....	....	Malartic G.	4,700	1.82	1.82	1.71	1.75
.04	.02	.....	....	Man. & East.	2,500	.02½	.02½	.02½	.02½
.31	.05	.....	....	Marcus Gold	1,500	.12	.11	.11	.11
.06	.03	.....	....	Martin McN.	2,000	.04½	.04½	.04½	.04½
66.00	55.00	2.01 and 1.00½z	5.4	McIntyre	215	55.50	56.00	55.00	56.00
.75	.36	♦	....	Mc. R. L.	200	.40	.40	.40	.40
.03½	.02	.....	....	McLellan C.	1,500	.02	.02	.02	.02
.29	.08	.....	....	McMarmac	33,600	.10	.15	.10	.15
.18	.08	.....	....	McWatters	3,800	.13	.13	.12	.12
10.25	6.10	.....	....	Mining Corp.	450	9.05	9.00	8.80	8.80
.03	.01½	.....	....	Minto Gold	1,000	.02	.02	.02	.02
.54	.27	.....	....	Moneta	4,000	.40	.38	.36	.36
.15	.08	.....	....	Mosher L.L.	1,000	.10½	.10	.10	.10
.37	.10	.....	....	Mylamaque	7,000	.11	.10	.10	.10
1.18	.85	.....	....	Nech Cons.	2,500	1.08	1.05	1.04	1.05
2.99	1.91	.....	....	Negus Mines	3,600	2.30	2.28	2.15	2.19
.06	.02½	.....	....	New Bidl'e.	1,000	.04	.04	.04	.04
1.52	.75	.....	....	N. Calumet	5,913	1.35	1.40	1.31	1.34
.31	.18	.....	....	N. Marlon	2,000	.21	.21	.19	.19
.28	.12	.....	....	N. Norzone	25,750	.14½	.15	.14	.14½
.46	.25	.....	....	N. Rouyn	1,305	.30	.30	.26	.26
.07½	.04	.....	....	Nib. Y'fe	4,000	.05	.05½	.04½	.04½
.16½	.04	.....	....	Nicholson	9,000	.13	.13	.11	.11
1.50	1.00	.....	....	Nipissing	300	1.20	1.25	1.25	1.25
52.00	43.00	†1.50	....	Noranda	3,696	49.00	49.75	48.25	49.50
.24	.11	.....	....	Norbenite	2,200	.12	.12	.11	.11
2.68	1.50	†.10	....	Normetal	32,860	2.48	2.54	2.40	2.54
.10	.04	.....	....	Norpick	14,700	.04½	.05	.04	.04
.10	.03½	.....	....	Norsemen	1,000	.05	.05	.05	.05
.55	.32	.....	....	North Can.	467	.40	.38	.38	.38
.35	.14	.....	....	North Inca	12,000	.33	.34	.30	.34
.04½	.03	.....	....	Northland	500	.03½	.03	.03	.03
2.30	1.40	†.03	....	O'Brien	6,320	1.75	1.80	1.70	1.70
.90	.59	.....	....	Ogama Rock	7,700	.67	.65	.61	.65
.16	.10	.....	....	O'Leary	1,000	.13	.12	.12	.12
.07½	.02	.....	....	Omega	6,000	.03½	.04½	.04	.04½
.16	.05½	.....	....	Omnitrans	15,300	.06	.06½	.05½	.06
.18½	.06½	.....	....	Oriac	5,500	.07	.08	.07½	.07½
1.15	.43½	.....	....	Osisko	11,100	.59	.57	.50	.55
.70	.15	.....	....	Osulake	12,300	.19	.19	.15	.15
.09½	.04	.....	....	Pac. East	1,075	.05½	.05½	.04	.05½
1.55	1.00	†.03	....	Pamour P.	1,900	1.15	1.13	1.07	1.10
.07½	.03	.....	....	Pandora	1,066	.05½	.05½	.03	.05½
.08	.04	.....	....	Paramaque	2,000	.05	.04½	.04½	.04½
.05	.02	.....	....	Parbec	500	.03	.03½	.03½	.03½
.03	.01½	.....	....	Partanen	1,000	.02	.01½	.01½	.01½
.46	.33	‡.02	....	Paymaster	9,100	.34	.37	.34	.37
4.80	2.25	.....	....	Pend Oreille	11,360	4.00	4.30	3.65	4.30
.20	.10	.....	....	Pen-Rey	16,700	.13	.11½	.11	.11
.16	.05½	.....	....	Piec'y Porc.	7,000	.07	.07	.06	.06½
2.30	1.75	†.10	....	Pickle Crow	2,450	1.97	1.95	1.93	1.94
3.60	2.35	.....	....	Pioneer G.	1,500	2.45	2.50	2.35	2.48
30.00	18.00	.50	1.9	Placer Dev.	325	29.00	26.00	25.00	26.00
.25	.05	.....	....	Porc. Pen.	3,000	.06	.06	.06	.06
.56	.38	.....	....	Porc. Reef.	1,000	.39	.39	.38	.38
.90	.50	.....	....	Powell R.	3,100	.64	.55	.55	.55
.05	.02½	.....	....	Prem. Bord.	1,000	.03	.02½	.02½	.02½
2.10	1.55	†.04½	....	Preston E.	5,825	1.60	1.70	1.55	1.60
.32	.18	.....	....	Privateer	4,500	.19	.19	.18	.18
.90	.40	.....	....	Que. Lab.	41,400	.71	.75	.68	.74
.65	.19	.....	....	Q. M'Gese.	16,800	.25½	.25	.22	.22
.89	.52	.....	....	Que. Man.	1,200	.74	.75	.74	.74
.95	.40	.....	....	Queenston C.	1,508	.42	.44	.42	.44
15.62½	10.25	.....	....	Quemont	3,660	14.00	14.00	13.25	13.75
.03	.01½	.....	....	Red Hawk	1,000	.02	.02½	.02½	.02½
2.15	1.02	.....	....	Reeves McD.	175	1.90	1.90	1.85	1.90
.09	.04	.....	....	Regcourt	4,000	.04½	.04½	.04½	.04½
3.00	1.90	.....	....	Renabie	100	2.75	2.60	2.60	2.60
.28	.15	.....	....	Richmac	8,100	.18	.18	.16	.18
.08	.04	.....	....	Roche L.L.	500	.04½	.04½	.04½	.04½
.17½	.07	.....	....	Rochette	3,500	.10	.11½	.11½	.11½
.16	.05	.....	....	Roybar Chi.	500	.09	.07	.07	.07
.23	.05	.....	....	Rupununi	11,000	.11	.11	.10	.10
.07	.05	.....	....	Ryanor	500	.05	.06	.06	.06
.23	.14	.....	....	Salmon G.	6,000	.15½	.16	.14	.14
4.35	3.30	.14	3.9	San Antonio	2,700	3.60	3.90	3.60	3.60
.12	.05	.....	....	Sand River	1,500	.09	.06	.06	.06
.17	.07	.....	....	Sannorm	1,000	.08	.08	.08	.08
.17	.09	.....	....	Santiago	14,500	.11	.11	.09	.11
.66	.38	.....	....	Senator R.	6,500	.40	.40	.38½	.39
.20	.10	.....	....	Shawkey	2,500	.10	.10	.10	.10
1.23	.98	†.04½	....	Sheep Creek	2,200	1.18	1.15	1.14	1.15
3.25	1.43	‡.02	....	Sherritt G.	28,220	2.39	2.38	2.25	2.28
9.00	6.25	.40	6.4	Sigma Mines	600	6.90	6.75	6.25	6.25
.70	.35	.....	....	Silanco	2,500	.37	.37	.35	.36
.55	.28	.....	....	Silbak Prem.	1,687	.30	.30	.30	.30
.48	.20	.....	....	Silver M.	13,200	.26	.23	.20	.20
.54	.30	.....	....	Siscoe	1,700	.40½	.40	.39	.40
.39	.25	.....	....	Sladen Mal.	1,800	.26	.30	.26	.30
.70	.49	.....	....	Stad'n '44	1,282	.53	.57	.53	.57
.79	.60	.....	....	Starrat O.	1,700	.66	.65	.65	.65
.12	.04	.....	....	Steeloy	1,000	.04	.05½	.05	.05
2.40	1.68	.....	....	Steep Rock	13,950	2.02	2.18	2.02	2.15
.21	.13	.....	....	Sturgeon R.	1,000	.15	.17	.16	.17
.05½	.03	.....	....	Sudbury C.	500	.03½	.03½	.03½	.03½
2.08	.99	.....	....	Sullivan C.	1,550	1.40	1.40	1.35	1.35
.19	.07	.....	....	Surf Inlet	7,000	.10½	.11	.11	.11
1.99	1.35	.06	4.3	Sylvanite	1,250	1.42	1.41	1.35	1.40
.50	.35	.....	....	Taylor B.	100	.40	.40	.40	.40
3.50	2.50	†.10	....	T. Hughes	2,008	2.65	2.65	2.60	2.60
.08	.05	.....	....	Temiskaming	1,000	.06½	.06½	.06	.06
.49	.32	.....	....	Thompson	3,800	.35	.35	.34	.34
.21	.05½	.....	....	Thurbois	1,000	.05½	.05½	.05½	.05½
.80	.50	.....	....	Toburn Gold	1,350	.63	.63	.62	.63
.12½	.06	.....	....	Tombill	100	.07	.06	.06	.06
.63	.35	.....	....	Trans. Res.	1,100	.45	.45	.43	.45
1.95	1.05	.....	....	United Keno	4,682	1.71	1.73	1.66	1.70
.12	.05	.....	....	Union Min.	100	.08	.06	.06	.06
2.35	1.55	†.02½	....	Upper Can.	2,900	1.65	1.60	1.55	1.57
.18	.10	.....	....	Utica	1,000	.14	.13	.13	.13
.40	.36	.....	....	Vananda '48	1,800	.38	.38	.36	.36
7.20	5.15	§.05	....	Ventures	980	6.00	5.85	5.55	5.80
.08½	.02½	.....	....	Vinray	6,500	.02½	.02½	.02½	.02½
9.25	4.60	†.60	....	Waite Am.	3,337	8.65	8.70	8.25	8.25
.19½	.10	.....	....	Wekusko	3,500	.12	.12	.11	.11
.12	.05	.....	....	Wiltsey C.	3,000	.08½	.08	.08	.08
.11	.05	.....	....	Wingait	27,500	.05	.05	.05	.05
2.90	2.40	.16	6.3	Wright-Har.	520	2.40	2.55	2.40	2.55
.81	.60	.....	....	Y'ke Bear	2,260	.63	.68	.60	.61
.40	.18	.....	....	Yellorex	500	.19	.18	.18	.18
.09	.05	.....	....	Ymir Girl	2,500	.05½	.05½	.05	.05½

Oil Stocks

Range 1948 High	Range 1948 Low	Div. Rate $	July 2 Yield %	Company	Sales	Last June 25	Week Ending July 2 High	Low	Close
.09	.04	.....	....	Admiral	2,000	.05	.05½	.05½	.05½
.24	.10	.....	....	Alta. P. Cons.	1,020	.16	.15	.13	.13
.08½	.05	.....	....	Alliance	6,000	.05½	.05½	.05	.05
.17	.07½	.....	....	Anaconda	9,250	.09½	.09½	.08½	.08½
3.50	1.35	†.05	....	Anglo Can.	48,925	2.76	3.10	2.50	3.10
.09½	.05	.....	....	Apex	1,500	.05	.05	.05	.05
.48	.23	.....	....	Atlantic	53,500	.38	.48	.35	.46
.35	.16	.....	....	Br. Dom.	67,700	.26½	.27	.24½	.26
7.60	3.40	.10	1.6	Calg. & Ed.	13,420	6.15	6.30	5.95	6.30
.65	.34	.....	....	Calmont	4,508	.47	.48	.39	.46
.27	.16	.....	....	Cal. Leduc	14,350	.17	.19	.18	.18
.46	.20	.....	....	Cent. Leduc	21,000	.44	.43	.36	.37½
.22	.10	.....	....	Coastal	1,600	.15	.16	.14	.15
.18	.14	.....	....	Command.	520	.16	.18	.16	.18
.36	.34	†.00½	....	Commoil	900	.35	.35	.34	.35
.60	.40	.....	....	Common P.	1,850	.54	.54	.54	.54
.32	.11	.....	....	C. H'Stead	195,000	.13	.18	.11	.18
.60	.33	.....	....	Dalhousie	4,400	.35	.37	.35	.36
.20½	.09	†.01	....	Davies Pete	6,000	.13½	.16½	.14½	.15
.17½	.07	.....	....	Decalta	200	.14	.15	.15	.15
.10	.05	.....	....	East Crest	950	.06½	.06	.06	.06
.50	.25	†.01½	....	East Leduc	9,700	.40	.41	.40	.40½
4.10	2.60	.25	8.3	Foothills	1,600	2.70	3.00	2.60	3.00
.06⅞	.02½	.....	....	Freehold	1,000	.03½	.03½	.03½	.03½
2.25	1.25	.....	....	Gaspe	3,250	1.65	1.80	1.63	1.80
.82	.50	†.02	....	Globe	20,600	.70	.71	.65	.69
.03½	.01⅞	.....	....	Grease Creek	5,000	.01⅞	.01⅞	.01⅞	.01⅞
.13	.06	.....	....	Hargal	11,000	.09½	.09½	.08½	.09
.15½	.07	.....	....	High Sarcee	9,500	.08½	.08½	.07½	.08½
9.70	5.25	§.15 and .05	....	Home	18,735	8.50	8.40	7.70	8.35
.15	.04	.....	....	Jump. Pound	3,000	.05	.06	.05½	.05½
.22	.10	.....	....	Leduc Cons.	600	.10	.10½	.10	.10
1.19	.60	†.04	....	Leduc West	17,850	.94	.95	.90	.95
.55	.40	.....	....	Lowery	1,000	.46	.44	.44	.44
.08½	.03½	.....	....	McLeod	5,100	.03½	.04½	.03½	.03½
.17	.09	.....	....	Mercury	4,200	.10	.09½	.09	.09
.11	.05½	.....	....	Midcont.	16,100	.08	.07½	.06	.07½
.15½	.08	.....	....	Mill City	200	.11	.09	.09	.09
.35	.22	.....	....	Model	1,000	.26½	.27	.27	.27
.33	.18	.....	....	Nat. Pete	13,150	.25	.27	.22	.27
.33	.09	.....	....	N. Pacalta	51,409	.09	.11	.09	.11
.10	.05	.....	....	New Ranch	8,000	.06	.06	.05½	.05½
.24	.13	.....	....	Nordon	500	.22	.24	.24	.24
.07	.04	.....	....	Oil Select	500	.05	.05	.05	.05
1.84	.90	.....	....	Okalta	21,100	1.45	1.50	1.32	1.44
1.45	.80	.10	8.6	Pac. Pete	39,000	1.16	1.20	1.12	1.17
.20	.12	.....	....	Petrol O.	1,000	.12	.13	.13	.13
.05	.02½	.....	....	Phillips P.	11,100	.04	.04	.03	.03½
.16½	.08	.....	....	Princess P.	6,500	.11	.11	.10½	.10½
.06	.02½	.....	....	Richfield	4,800	.03½	.03	.03	.03
.49	.25	.....	....	Roxana	3,800	.37	.38	.32	.32
.15	.07½	.....	....	Royal Can.	14,200	.08	.09	.08	.08½
19.00	16.00	1.00	5.6	Royalite	20	18.75	18.00	18.00	18.00
.10	.05	.....	....	Share Royl.	3,000	.07½	.07½	.07	.07
.19	.10½	.....	....	So. Brazeau	9,200	.12½	.12½	.11	.11
.70	.24	.....	....	So. West Pete.	500	.50	.45	.45	.45
.10	.08	§.01½	....	Sunset	5,700	.08½	.08½	.08	.08
.34	.23	.....	....	Superior	17,200	.29	.31	.29	.30
1.50	1.15	.....	....	Texas Can.	50	1.50	1.35	1.25	1.35
.55	.20	.....	....	Turner V.	500	.40	.40	.40	.40
.15½	.06	.....	....	United Oils	7,700	.06½	.08	.07	.07½
.19	.12	.....	....	Vanalta	4,000	.14½	.14½	.14	.14
.36	.20	.....	....	Vulcan	1,000	.26	.26	.26	.26
.14	.05	.....	....	Warner	2,000	.10	.12	.12	.12
.08	.04	.....	....	Wellington	100	.06½	.04	.04	.04
.10	.03½	.....	....	York Oils	2,000	.05	.05½	.05½	.05½

* N. Y. Funds. x Extra. ‡ Paid in 1946. ‡ Capital Repayment.
♦ Dividend deferred. § Paid in 1947. † Paid or payable in 1948.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
July 5	118,100	542,000	55,650	28,347	....
July 3	....	....	....	....	....
July 2	130,400	570,000	72,975	63,769	1,180,000
July 1	....	....	....	....	1,050,000
June 30	101,000	533,000	60,250	50,765	1,260,000
June 29	100,600	549,000	72,530	64,897	1,050,000

Dividends Declared

	This payment $	Date payable	Date of record
Acadia Atlantic A	.25	Oct. 1	Sep. 10
Do. pf. 5%	1.25	Sep. 15	Aug. 20
Alum. of Can.	.25	Sep. 1	Aug. 1
Anglo-Can. Tel. 4½% pf.	.56¼	Aug. 2	Jul. 9
Anglo-Huronian	.10	Jul. 23	Jun. 25
Anglo-Nfld. Dev.	1.00	Jul. 26	Jun. 16
Argus	.15	Sep. 1	Jul. 30
Do. 4½% pf.	1.12½	Sep. 1	Jul. 30
Asbestos	.25+.05	Sep. 30	Sep. 1
Atlas Steels	.25	Aug. 2	Jul. 5
Ault & Wiborg. pf.	1.37½	Aug. 2	Jul. 15
Bk. of Nova Scotia	[illegible]	Aug. 2	Jul. 16
Barber Ellis	.25+.12½	Sep. 15	Aug. 31
Bathurst Pwr. A	.37½	Sep. 1	Aug. 3
Beaver Lumber	.50	Aug. 2	Jul. 10
Do. A	.25	Oct. 1	Sep. 10
Do. pf.	.35	Oct. 2	Sep. 10
Beld.-Cort.	1.50	Oct. 1	Aug. 31
Do. 7% pf.	1.75	Oct. 1	Aug. 31
Bell Tel.	2.00	Jul. 15	Jun. 15
Biltmore Hats	.10	Jul. 15	Jun. 30
Do. A	.25	Jul. 15	Jun. 30
Brant. Cord.	.12½	Jul. 15	Jun. 20
Do. pfd.	.32½	Jul. 15	Jun. 20
Brantford Roof.	.40	Aug. 3	Jul. 15
T. G. Bright	.25	Jul. 15	Jun. 30
Brit. Rubber 5% pf.	1.25	Jul. 31	Jul. 15
B. C. Forest	.15	Aug. 2	Jul. 29
B. C. Power A	.40	Jul. 15	Jun. 30
B. C. Pulp pf.	1.75	Aug. 1	Jul. 15
Stan. Brock A	.15	Aug. 1	Jul. 10
Bruck Mills	.10	Aug. 1	Jul. 10
Buckerfields Ltd.	1.75	Jun. 30	Jun. 30
Burns & Co., A	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Do., Cl. B	.25	Jul. 24	Jul. 7
Do., Cl. B	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Butterfly Hose., pf.	3.50	Jul. 30	Jun. 30
Caldwell Lin.	.20	Aug. 2	Jul. 15
Do. 1st pf.	.38	Aug. 2	Jul. 15
Do. 2nd pf.	.20	Aug. 2	Jul. 15
Can. Fdy. & Forg. A	.37½	Sep. 15	Aug. 27
Can. Inv. Fund	.06	Aug. 2	Jul. 15
Can. North. Pwr.	.15	Jul. 26	Jun. 18
Can. South. Rlwy.	†1.50	Aug. 2	Jun. 23
Can. Bk. of Comm.	.20	Aug. 2	Jun. 30
Candn. Bronze	.50	Aug. 2	Jul. 9
Do. 5% pfd.	1.25	Aug. 2	Jul. 9
Candn. Brew.	.50	Oct. 1	Aug. 31
Candn. Car	.20	Aug. 23	Jul. 29
Do. A	.25	Aug. 23	Jul. 29
Can. Converters A	.18¾	Jul. 31	Jun. 29
Candn. Fairb.-M. pf.	1.50	Jul. 15	Jun. 30
Candn. Gen. Inv.	.20	Jul. 15	Jun. 30
Candn. Ind. Ltd.	.17½	Jul. 31	Jun. 30
Do. pfd.	1.75	Jul 15	Jun. 15
Candn. Invest. Corp.	.10	Aug. 10	Jul. 5
Candn. Oil	.20	Aug. 15	Jul. 15
Candn. Pac. Rly. pf.	2%	Aug. 2	Jul. 1
Candn. Refract. pf.	1.12½	Jul. 15	Jun. 28
Can. Wallpaper A, B	1.25	Jul. 16	Jul. 2
Candn. Vickers pf.	1.75	Aug. 1	Jul. 10
Candn. W. Lumber	.10	Jul. 15	Jun. 17
Do.	.10	Oct. 15	Sep. 17
Coast Brew.	.06	Aug. 2	Jul. 14
Commer. Alcohol	.05	Jul. 15	Jun. 30
Do. pfd.	.10	Jul. 15	Jun. 30
Cockshutt Plow	.25	Dec. 1	Nov. 1
Combined Enter.	.12½	Jul. 15	Jun. 10
Do. 5% pfd.	1.25	Jul. 15	Jun. 10
Confed. Life 30% pd	1.50	Sep. 15	Sep. 10
Cons. M. & S.	1.50+3.50	Jul. 15	Jun. 21
Cons. Paper	.50	Jul. 17	Jun. 3
Craig Bit	.25	Aug. 2	Jul. 19
Crown Cork	.50	Aug. 16	Jul. 16
Davies Pet.	.01	Aug. 2	Jul. 15
new com.	†.50	Jul. 7	Jun. 25
Detroit & Can. Tun.			
Dome Mines	.17½	Jul. 30	Jun. 30
Dom. & Ang. Inv. p	1.25	Sep. 1	Aug. 14
Dom. Bank	.25	Aug. 2	Jul. 15
Dom. Bridge	.30	Aug. 25	Jul. 30
Dom. Coal 6% pf.	.37+.38	Jul. 21	Jun. 23
Dom. Dairies	*.12½	Jul. 15	Jun. 30
Do. 5% pfd.	.44	Jul. 15	Jun. 30
Dom. Fabrics	.20	Aug. 2	Jul. 15
Do. 1st pf.	.75	Aug. 2	Jul. 15
Do. 2nd pf.	.37½	Aug. 2	Jul. 15
Dom. Glass	.25	Jul. 15	Jun. 22
Do. pf.	.35	Jul. 15	Jun. 28
Dom. Malting	.25	Aug. 1	Jul. 1
Do. 5% pfd.	1.25	Aug. 1	Jul. 1
Dom. Oilcloth	.40	Jul. 30	Jun. 30
Dom. Square	.50	Jul. 15	Jul. 1
Dom. Scot. Inv. pf.	.50	Sep. 1	Aug. 16
Dom. Stores	.37½	Sep. 15	Aug. 18
Dom. Tar & Chem.	.25	Aug. 2	Jul. 2
Dom. Textiles 7% pf.	1.75	Jul. 15	Jun. 15
Dom. Woollens	.25	Aug. 2	Jul. 15
Donnacona Pap., p.	1.12½	Aug. 16	Jul. 15
Dryden Paper	.25	Aug. 2	Jun. 30
East. Bakeries pf.	1.00	Jul. 15	Jul. 10
Econ. Invest. Tr.	.50 ext.	Jul. 15	Jun. 30
Empire Brass A	.25	Jul. 15	Jun. 30
Enamel & Heating	.50	Jul. 31	Jun. 20
Esmond Mills, pf.	.25	Aug. 1	Jul. 9
T. H. Estabrooks pf.	.26	Jul. 15	Jun. 19
Fed. Fire Ins.	1.00	Aug. 16	Aug. 12
Foundation Co.	.35	Jul. 22	Jun. 30
Fraser Cos.	.75	Jul. 26	Jun. 30
A. J. Freiman	.12½	Aug. 1	Jul. 15
Do. pf.	1.12½	Aug. 1	Jul. 15
Gen. Products pf.	2.50	Jul. 15	Jun. 28
Gen. Steel Wares	.20	Aug. 16	Jul. 19
Do. pf.	1.25	Aug. 2	Jul. 5
Gen. Trust pf.	1.25	Jul. 15	Jun. 30
Goodyear Tire pf.	.50	Jul. 31	Jul. 10
Grafton A	.25	Sep. 15	Aug. 25
Gt. West Coal	.50	Aug. 14	Jul. 31
Guarantee Co.	1.50+3.00	Jul. 15	Jun. 30
Guaranty Trust	1½%	Jul. 15	Jun. 30
Gypsum, Lime	.25	Sep. 7	Jul. 31
Do.	.50	Dec. 1	Nov. 30
Highland Bell	.03	Jul. 5	Jun. 17
Howard Smith	.25	Jul. 30	Jun. 30
Do. pfd.	.50	Jul. 20	Jun. 30
Hudson Bay M & S	1.00	Sep. 13	Aug. 13
Hydro Elec. Sec.	.20	Aug. 2 xd 13	Jun. 9 coup. 18
Do. pf.	.25	Aug. 2	Jun. 30
Imperial Bank	.25	Aug. 2	Jun. 30
Imp. Tobacco 4% pf.	.25	Aug. 2	Jun. 22
Int. Bronze pf.	.37½	Jul. 15	Jun. 15
Intnl. Holdings	.60	Aug. 16	Jul. 15
Intnl. Milling pf.	†1.00	Jul. 15	Jun. 30
Intnl. Nickel 7% pf.	†1¾%	Aug. 2	Jul. 6
Int. Utilities	†.25	Sep. 1	Aug. 12
Invest. Found. pf.	.75	Jul. 15	Jun. 15
Jantzen Knit.	.25	Aug. 2	Jun. 15
Journal Pub.	.20	Jul. 15	Jun. 18
Kerr Lake	†.05	Aug. 18	Aug. 4
Lake Dufault M.	.05	Jul. 23	Jul. 6
Lake of Woods	.40	Sep. 1	Aug. 3
Do. pf.	1.75	Sep. 1	Aug. 3
Laura Secord	.20	Sep. 1	Aug. 2
L'rentide Accept. p.	.25	Jul. 31	Jul. 15
Lewis Bros	.25	Jul. 31	Jun. 30
Loblaw A & B	.25	Sep. 1	Aug. 4
W. M. Lowney	.25	Jul. 15	Jun. 15
McArthur Chem. p.	.25	Aug. 1	Jul. 1
McCabe Grain A	.15	Aug. 1	Jul. 15
Do. B	.10	Aug. 1	Jul. 15
McColl-Front. 4% pf	1.00	Jul. 20	Jun. 30
McIntyre-Porc.	.50½	Sep. 1	Aug. 3
McLennan, McFeeley & Prior pf.	1.12½	Sep. 30	Sep. 20
Do.	1.12½	Dec. 31	Dec. 20
Maple Leaf Gdns.	.25	Jul. 15	Jul. 2
Mar. Tel.	.20	Jul. 15	Jun. 19
Do. 7% pf.	.17½	Jul. 15	Jun. 18
Matachewan Cons.	.02	Jul. 22	Jun. 30
Mercury Mills	.25	Jul. 31	Jul. 15
Mersey Paper, pf.	112½	Jul. 2	Jun. 12
Minn. & Ont. Pap.	†.50	Jul. 20	Jun. 30
Mtl. Tel.	♦.48	Jul. 15	Jun. 15
Mtl. Trust	1.00	Jul. 15	Jun. 30
Mt. Royal Rice	.12½	Jul. 31	Jul. 6
Nat. Biscuit	†.40	Jul. 15	Jun. 8
Do.	†.40	Oct. 15	Sep. 9
Do. 7% pf.	†1.75	Aug. 31	Aug. 10
Nat. Drug & Chem.	.12½	Sep. 1	Aug. 13
Do. pfd.	.15	Sep. 1	Aug. 13
Nat. Hose A	.15	Oct. 1	Sep. 3
Do. B	.15	Jan. 1	Dec. 3
Nat. Steel Car	.37½	Jul. 15	Jun. 15
N. B. Tel.	.13	Jul. 15	Jun. 30
North West Brew.	.15	Sep. 30	unstated
North. Trusts	.40	Aug. 2	Jul. 28
Ogilvie Flour	.25	Oct. 1	Aug. 27
Do. pf.	1.75	Sep. 1	Jul. 28
Ont. Steel	.25	Aug. 14	Jul. 15
Do. 7% pfd.	1.75	Aug. 14	Jul. 15
Page-Hersey	.40	Oct. 1	Sep. 15
Penmans Ltd.	.75	Aug. 16	Jul. 15
Do. 6% pf.	1.50	Aug. 2	Jul. 2
People's Cred. Sec.	.25	Jul. 15	Jun. 30
Power Corp.	.30	Jul. 31	Jun. 30
Do. 1st pfd.	1.50	Jul. 15	Jun. 18
Do. 2nd pfd.	.75	Jul. 15	Jun. 18
Preston E. D.	.01½	Jul. 15	Jun. 15
Proprietary	.03	Jul. 9	Jun. 9
Purity Flour	.25	Sep. 1	Aug. 13
Do. pf.	.62½	Aug. 1	Jul. 9
Quebec Power	.25	Aug. 25	Jul. 16
Regent Knit. Mills	.40	Sep. 1	Aug. 12
Do.	.40	Dec. 1	Nov. 12
Reitman's pf.	.25	Aug. [illegible]	Jul. 15
Robinson Cot.	.10	Aug. 2	Jul. 1
Saguenay Pwr. pf.	1.07	Oct. 1	Sep. 8
St. Lawrence Flour	.40	Aug. 2	Jun. 30
Do. pfd.	1.75	Aug. 2	Jun. 30
Scarfe & Co. A	.20	Aug. 1	Jul. 15
Do. B	.10	Aug. 1	Jul. 15
Scythes & Co.	.19	Sep. 1	Aug. 12
Do. pf.	.31¼	Sep. 1	Aug. 12
Shawinigan W. & P.	.30	Aug. 25	Jul. 16
Do. 4% pf.	.50	Oct. 2	Sep. 2
Sheep Creek	.01½	Jul. 15	Jun. 30
Sher.-Williams	.20	Aug. 1	Jul. 2
Sigma Mines	.20	Jul. 28	Jun. 28
Simpsons A	.75	Aug. 25	Jul. 23
Do. B	1.50	Aug. 25	Jul. 23
N. Slater	.30	Aug. 2	Jul. 10
Do. pf.	.53	Jul. 15	Jul. 3
South. Can. Pwr.	.30	Aug. 16	Jul. 20
Do. pfd.	1.50	Jul. 15	Jun. 18
Stand. Chem.	.10	Sep. 1	Jul. 30
Do. 5% pf.	1.25	Sep. 1	Jul. 30
Stand. Fuel pf.	.56¼	Aug. 1	Jul. 15
Stedman Bros.	.15	Jul. 15	Jun. 15
Steel Co.	.75	Aug. 2	Jul. 7
Do. pfd.	.75	Aug. 2	Jul. 7
Supertest ord. & c.	1.00	Jul. 15	Jun. 25
Do. 6% pf.	.75	Jul. 15	Jun. 25
Stovell Press pf.	.12½	Jul. 15	Jun. 30
Tuckett Tob. 7% pf.	1.75	Jul. 15	Jun. 30
United Corp. A	.38	Aug. 16	Jul. 15
Do. B	.25	Aug. 31	Jul. 31
Vanc. Pap. A	.12½	Aug. 1	Jul. 15
Waterous	.20	Jul. 15	Jun. 30
Wellington Fire Ins.	1.75	Aug. 16	Aug. 12
West. Brew.	.40	Jul. 15	Jun. 20
Western Grocers A	.50	Jul. 15	Jun. 15
Do. pf.	.35	Jul. 15	Jun. 15
Willson Stat. pf.	1.75	Jul. 15	Jun. 30
Wood Combing	.40	Jul. 10	Jun. 25
Zeller's	.37½	Aug. 1	Jul. 15
Do. 5% pf.	.31¼	Aug. 1	Jul. 15
Do. 6% pf.	.37½	Aug. 1	Jul. 15

†N. Y. funds. *Initial.
♦Net payment after deducting corporate income tax.

Commodities

	Latest week	Previous week	Same week last yr
Cattle	$19.63	$22.35	15.45
Hogs	31.35	29.97	21.71
Copper, lb.	.21½	.21½	.21½
Sugar, raw, lb.	.0510	.05	.06185
Coffee, lb.	.26⅜	.26⅜	.23¾
Hides	.29½	.30½	.28
Weekly Indices			
U. S. Labor	166.7	165.3	147.6
Dow Jones	152.83	151.19	128.97
Fishers	175.1	173.6	158.6
Monthly Indices			
Retail (June)	154.3	†153.3	134.9
W'sale (Apr.)	148.5	146.9	123.3
U. S. (Feb.)	160.7	165.6	144.6
Gt. Brit. (Mar.)	217.2	216.7	183.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Coffee. No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
‡Eastern Car 1st mtge. ser. A	2½%	1955	Jul. 1	110
‡Lake St. John Pr. 1st mtg. ser. A	5½%	1961	Jul. 1	102
‡Moirs 1st mtge.	6%	1953	Jul. 1	100
‡J. R. Moodie 1st mtge.	6%	1948	Jul. 1	par
‡N. B. Pwr. 1st mtge. ser.	4%	1949	Jul. 1	100½
Do.	4%	1950	Jul. 1	101
Do. 1st mtg. s f	4½%	1964	Jul. 1	103
‡Ottawa Elec. Rly. 1st mtg. ser. A	2½%	1957	Aug. 12	101
♦Sao Paulo Elec. 1st mtge. s. f.	5%	1962	Jul. 1	par

‡All outstanding.
♦£66,700.

Bond Tenders

12 noon, Jul 8, 1948, Canada Treasury Bills—Dated July 9, 1948, $75,000,000, payable Oct. 8, 1948.

Company Meetings

1948	Company	Place
July 8	Jason Mines	Toronto
July 12	Bruck Mills	Montreal
July 12	Candn. Converters	Montreal
July 14	East-Leduc Oil	Calgary
July 14	Leduc-West Oil	Calgary
July 20	Dom. Tar & Chem.	Montreal
July 21	Dom. Textile	Montreal

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	July 3 Bid	July 3 Ask
York Knit. B N.	..	3½	3½	3½
Zellers 5% pref.	1.25	27	27½	..
Do. 6% pref.	1.50	27½	28	28

▪Paid in 1946. ‡Extra. xOn arrears. †Paid or payable in 1948. ▲N.Y. funds. ♦Paid in 1947. §Net after income taxes. ♦♦For each 20 shs. held. *Dividend deferred.

Mining Stocks

	Div. rate $	Last sale	July 3 Bid	July 3 Ask
Alta.	...	.02	.02½	..
Ansley	...	.04	.04	.05
Aquarius	...	.09	.08	.09½
Arno	...	.03	.02½	.04
Athona '37	...	.07	.07	.08½
Belleterre	.20	6.75	..	7.00
Bonetal Gold	...	.16	.15	.18
Bonville	...	.04½	.04	.05
Bouscadillac G. M.	...	.03½	.03	.04
Bouzan	...	.04	.02	.06
Brazil Gold	...	.02	.02	.03
Brewis	...	.05	.05	.06½
Bridge River	...	.04	.03	.04
Broulan Porc.	...	.30	.29	.30
Bunker Hill	...	.05½	.03½	.05
Can. Malartic	.04	.70	.71	.73
Celta Devel.	...	.06	.05	.08
Cent. Manitoba	...	.06	.06	.07
Centramaque	...	.06	.06½	.09
Coast Copper	...	1.25	1.25	1.32
Coniagas	...	1.50	1.50	1.60
Cournor	...	.15	..	..
Cryderman	...	.01	.00½	.01
Cuyuni	...	.15	..	..
Dickstone L.	...	.03	.03	.04
El Sol	...	.17	.15	.16
Fontana	...	.03	.03	.04
Francoeur Gold	...	.09	.08	.09
Golconda	...	.08	..	..
Gold Crest	...	.13	.11	.12
Gold Eagle	...	.03	.03½	.04
Gold Lake	...	.01½	.01½	.03
Gold Pan	...	.18½	..	..
Goldhawk	...	.05½	.05½	.06
Goodfish	...	.03	.02	.04
Graham B.	...	.11½	.10	.14
Great Falls M.	...	.02	.02	.03
Gunnar Gold	...	.20	.20	.22
Halliwell Gold	...	.02	.02	.03
Hallnor Mines	.28	3.50	3.65	4.00
Harricane	...	.07	.07	.08½
Headway	...	.04	.03	.04
Int. Mining	...	4.75	..	..
Island Lake	...	.00½	.00½	.02
Island Mountain	†.08	1.10	1.05	1.20
Jack Waite	...	.08	.08	.09½
Jellicoe	...	.04	.03½	.05
Kenville	...	.15	.16	.20
Kerr Lake	†.05	.40	.47	.90
Kirk. Town	...	.16	.14	.16
Kootenay Belle	...	.09	.08	.10
Lapaska	...	.03	.03½	.04
Lexindin	...	.08	.07	.08½
Ling Key	...	.08½	..	..
Lynx Yk.	...	.08	.08	.11
Maralgo	...	.03½	.04	.05½
McFinley L.	...	.24	..	..
McGillivray C.	...	.12	..	.12
Mentor Exploration	...	1.00	..	.70
N. Louvre	...	.05	.02	..
Newnorth	...	.03½	.02½	.03
Norgold	...	.03	.02	.03
Normandy	...	.04	..	.03
North. Empire	‡.10	1.50	1.55	2.25
Orenada	...	.08	.06	.09
Pacific Nickel	...	.12½	.11	.13½
Packsack	...	.02	.02	.04
Pato Cons. G.	‡.40	3.95	3.90	4.20
Payuka	...	.24	..	..
Perron Gold	.06	.70	.70	.74
Pitt G.	...	.07	.05	.09
Powell Rouyn V.T.	...	.55	.60	.62
Proprietary	.18	13.50	13.00	16.00
Prospectors Air's	...	.35	.30	.45
Purdy Mica	...	.05½	.05½	.06½
Quatsino	...	.05	.05	.06
Quebec Gold	...	.45	.35	.45
Que. Yk.	...	.07	.07	.10
Red Cloud	...	.01½	.00½	.02
Red Crest	...	.03	.02½	.08
Reno Gold	...	.07	.05½	.09
Rice Lake	...	.01	.01	.02
Scotia Gold	...	.01	.00½	.02
Silver Ridge	...	.17	.15	.18
Soma Duv.	...	.10	..	.09
S. American G.	*1.10	1.10	..	..
Spring. Sturg.	‡.09	1.40	1.38	1.40
Standard G.	...	.10	.06	.12
Star Lake	...	.00½	.00½	.01
Sunloch	...	.10	..	..
Taku	...	.35	.28	.42
Tiblemont	...	.10	..	.20
Towagmac	...	.08	.07	.10
Vicour	...	.07	.06½	.13
Villbona	...	.03	.03	.04
Wellington	...	.02	.02	.03
West. Mal.	...	.07	.07	.09
Westville	...	.02½	.02	.04
Winchester	...	.07	.06	.10
Winnipeg R. Tin	...	.01	.01	.01½
Winora	...	.04	.05	.06½
H. G. Young	...	.25	..	..
Yukon Cons.	...	.57	.38	.80

OIL STOCKS

	Div. rate $	Last sale	July 3 Bid	July 3 Ask
Acme Gas & Oil	...	.06	.05½	.07
Advance	...	.03	..	..
Arrow	...	.10	..	..
Federated P.	...	.27	.25	.30
Marvel	...	.02	.01½	.03
McD. Segur	...	.09	.08	.09
Merland	...	.04	..	..
New Valley	...	.03½	..	..
Richland	...	.04	..	..
Royal Crest	...	.01	..	.03
Spooner	...	.15	..	...
Three Point	...	.05	.06	..
Vul. Brown	...	.14	..	.25

†Paid or payable in 1948.
§Paid in 1947.
‡Paid in 1946. *N.Y. funds.
♦Dividend deferred.

Government Bonds

July 6, 1948

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	103¼	103½
3	Mar. 1954 ...	103⅝	104¼
3	Nov. 1956 ...	103⅛	104
3	Jan. 1959 ...	101⅜	101¼
3	May 1957 ...	102½	103
3	June 1960 ...	101	101½
3	Feb. 1962 ...	100⅞	101¼
1½	Nov. 1950 ...	100½	100⅞
1½	Oct. 1953 ...	100¼	101
1½	Nov. 1949 ...	100⅛	100⅜
1½	Nov. 1948 ...	99⅞	100¼
Dom. of Canada Bonds:			
3½	Nov. 1951 ...	100½	101
3½	Feb. 1952 ...	102⅞	103⅛
3	Oct. 1952 ...	101½	102
3	June 1955 ...	101⅞	102¼
3	June 1958 ...	101⅞	102⅜
4½	Nov. 1959 ...	103⅞	104¼
3½	June 1966 ...	103¼	103¾
3	Perpetual ...	98⅞	99½
4½	Nov. 1958 ...	100⅞	101¼
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	100⅞	101⅜
4½	Sept. 1951 ..	*106⅞	*107⅜
4½	Feb. 1956 ..	*111¼	*113
4½	July 1957 ..	*113⅛	*114⅞
4¾	June 1955 ..	*112¼	*114
5	Oct. 1969 ..	*108	*109⅛
5	Feb. 1954 ...	112¼	113⅜
5	Feb. 1970 ..	*108¼	*109¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	*112¼	*113¼

%	Due	Bid	Ask
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	*100	*101½
4	Jan. 1962 ..	*110¼	*112¼
Montreal Harbour Com.:			
5	Nov. 1969 ..	*107⅞	*109
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64	100⅞	102¼
3½	June 1959 ...	104	106¼
3½	June 1950/72	101⅞	103¼
3½	June 1950/71	100⅞	102¼
British Columbia:			
2¾	Jan. 1967 ...	94¼	96
3	Dec. 1960 ...	99	100½
4½	Jan. 1969 ...	123⅞	126¼
4	Dec. 1957 ...	114	116¼
5	Apr. 1954 ...	120	122
5	Sept. 1953 ...	108¼	109⅞
Manitoba:			
4	Dec. 1957 ...	114¼	116⅞
4½	Dec. 1956 ...	118	120
5	Dec. 1959 ...	125	127
2¾	Aug. 1962/64.	94¼	96¼
5½	July 1958 ...	117¼	119⅞
New Brunswick:			
4½	Apr. 1961 ...	116	119
5	Jan. 1960 ...	118¼	121¼
2¾	June 1966 ...	92	93¼
3½	Mar. 1958 ...	100	101¼
Nova Scotia:			
3½	June 1956 ...	101⅞	103¼
4½	Nov. 1960 ...	121¼	124
5	Mar. 1960 ...	125⅞	128¼
3	June 1956/58.	100	101½
2¾	Sept. 1966 ...	93⅞	95½
3½	May 1960/62.	100¼	102

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	94⅞	96
3	Apr. 1962/65.	99	100½
3½	May 1952/55.	102¼	103⅞
4	June 1962 ...	120	122½
4½	June 1950 ...	104	105
4½	Jan. 1962 ...	125	128
5	Oct. 1948 ...	100¼	101¼
5	Dec. 1960 ...	131	133
2¾	July 1967/76.	93	95
Ont. Hydro Commission:			
4	Aug. 1957 ...	117	119½
2¾	June 1961/71.	93½	95
2¾	Oct. 1965/68.	94½	96
Prince Edward Island:			
4	Mar. 1951/54	101¼	103½
Quebec:			
3½	Mar. 1954/59.	103	104½
3¾	Feb. 1952/55.	103⅞	105
4½	Aug. 1958 ...	109	110½
4½	Jan. 1963 ...	113⅞	115½
3	Feb. 1960/62.	100	101½
4	Nov. 1950/52.	103	104¼
Quebec Hydro Com.:			
3	Feb. 1969/73.	98	99¼
Saskatchewan:			
4	Nov. 1955/60.	99⅞	101¼
5	Aug. 1958 ...	106¼	108¼
4½	Mar. 1960 ...	108	110
5	Dec. 1959 ...	110⅞	112⅞
5½	Oct. 1952 ...	104⅞	107¼
6	Mar. 1952 ...	105⅞	108¼
3	Mar. 1963 ...	91⅞	93¼
3½	Nov. 1960/62.	93	95
3¾	Feb. 1960/62.	98¼	100

*New York funds.

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp. Kamm, Garland & Co. and Kippen & Co.)

July 5, 1948

	Bid	Ask.		Bid	Ask.
Allens Toronto units	40.00	....	Loblaw Groc. Inc.	19.00	20.00
Anglo Can. Telephone A	9.85	10.50	Manufacturers Life Ins.	340.00	360.00
British Mtge. & Trust	185.00	195.00	Monarch Life 30% paid	94.00	....
B. C. Sugar	87.00	90.00	Monarch Mtge. units	4.75	5.50
Can. Investors Corp.	7.25	8.00	Mountainview Apts. pfd.	19.00	....
Canadian Motor Lamp	12.75	13.75	Nat. Drug & Chem. c. ne	8.50	9.25
Can. Silk Prod. A	24.00	28.00	Peller Brewing com.	5.25	6.25
Can. West Nat. Gas com.	60.00	....	Do. pfd.	20.00	22.00
Do. pfd.	18.50	19.50	Quality Steels com.	.50	.80
Capital Wire Cloth com.	11.50	....	Ritchie Cut Stone pfd.	5.00	6.00
Cawthra Apts. units	8.00	....	Sawyer Massey com.	1.50	..
Chase A. W. units	48.00	....	Seiberling Rubber com.	5.00	8.00
Colonial Steamships com.	95.00	....	Sincennes McNaught. Tugs	2.50	..
Commercial Finance Corp.	15.00	18.00	Sovereign Life 25% pd.	37.00	41.00
Commercial Life 10% paid	8.00	....	Standard Fuel pfd.	41.00	45.00
Continental Life 20% pd.	43.00	....	Do. com.	2.00	3.75
Detroit Internat. Bridge	12.00	13.50	Third Can. Gen. Inv.	3.80	4.20
Dover Industries Ltd.	10.50	11.50	Toronto General Ins.	6.00	8.00
Dunlop Tire pfd.	24.75	25.75	United Farmers Co-op.	2.50	4.50
Empire life Ins. 25% pd.	17.00	19.00	United Steel A pfd.	25.00	26.50
Galt Brass com.	35.50	....	Victoria Trust & Svgs.	133.00	..
Goderich Elev. & Trans.	15.50	16.75	Waterloo Mfg. com.	5.50	6.50
Great West Life	350.00	380.00	Waterloo Trust & Svgs.	123.00	..
Guardian Realty pfd.	46.00	....	Western Assurance com.	63.00	67.00
Guelph & Ont. Svgs. $50 p.	60.00	....	Western Grain com.	.75	1.25
Hartz. J. F., A	9.50	11.00	Do., pfd.	21.00	23.00
Imperial Life	340.00	355.00	York Trading com.	11.50	12.50
Lambton Loan $50 par	83.00	87.00			

Supplementary Bond Quotations

Furnished by Investment Dealers Association

Month-end Closing Prices

June 30, 1948

	Bid	Asked
Acadia Apartments 4%/59	97	101
Adelaide Peter 4%/67	67	..
Adelaide Sheppard 5-7%/48.	63½	..
Alex. Bldg. 6%/47 & Com.	74	87
Ancroft Place 4%/56 & Com.	82	87
Balfour Bldg. 3-6%/43	69	..
Bay Adelaide 4½%/66 & Com.	68	..
Bay Cumberland 3½%/58 & Com.	72	..
Bay St. Albans 4%/53	82	..
Bloor St. George 4%/67 w.s.	91	..
Clarendon Apart. 7%/46	55½	..
Clarendon Prop. 7%/47	55½	..
Deer Park Manor 4%/59 & Com.	83	..
Dom. Square 4%/59	*100½	..
Ellis Park 4½%/60 & Com.	90	..
400 Avenue Rd. 4½%/37 & Pf.	90	..
Glen. Inv. 5%/59 & Com.	110	114
Lombard Realty 2½%/51 & Com.	57	..
Lord Nelson Hotel 4%/47	79	..
Metropolitan Bldg. 4½%/52	100	..
Montreal Apts. 4%/54 1st	94½	98½
Montreal Apts. 4%/54 2nd	86	..
Municipal Bankers 4-5%/48.	22½	..
Ontario Bldg. 3%/43	58	..
Oshawa Bldg. 4%/53 & Pfd.	79	..
Rams. Pk. Apts. 5%/61 Com.	65	..
Richmond Bldg. 7%/47	79	..
St. Cath. Stanley 3½-4%/57	99	102
St. Clair 200 W. 1958 & Pfd.	90	..
Sherbrooke St. Realty 4%/52	96	101
Stanley Realty 3%/62	30½	35½
Transportation Bldg. 3½%/67	99	..
York Adelaide 7%/45	43	..

Investment Trusts

	Bid	Asked
Affiliated Funds	4.46	4.48
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.75	5.25
Can. Invest. Corp.	7.25	8.00
Commonwealth Int.	3.67	4.03
Corporate Invest.	8.80	9.45
Trans-Canada, A	14.25	....
Do. B	....	14.55

BUSINESS THIS WEEK

	JUNE	MAY	APR.	MAR	Year Ago
MERCHANDISING					
Dept. store sales index no. (1)	....	....	278.9	275.6	232.8
Retail sales index (no.)	....	....	254.5	244.2	224.5
Wholesale sales index (no.)	....	....	284.4	264.4	268.8
FINANCE					
Dividend payment index (5)	197.9	196.9	195.0	194.5	160.9
Money supply (millions $)	....	....	....	7,625	7,503
NEWSPRINT CAPACITY					
Production ratio	....	....	102.3	99.1	101.0
Shipment ratio	....	....	101.1	97.3	102.8
RAILWAY FREIGHT LOADINGS					
▪Tons (D.B.S.)	....	226.3	214.9	221.7	219.9
▪Cars (D.B.S.)	..	160.6	170.1	160.9	170.6
COST OF LIVING					
▪D.B.S.	154.4	153.3	151.6	150.8	134.9
EMPLOYMENT INDEX					
All industries	....	185.8	186.6	188.9	179.6
Manufacturing	..	201.7	202.0	202.6	195.8
Payrolls (June 1/41=100) (2)	....	....	184.7	188.8	163.9

	1948	1947	1948 Jan. 1 to date	1947	% Change
RAILWAYS—(000's omitted)					
▪Carloadings (week June 26)	79.0	79.1	1,916.8	1,871.7	+2.4
C.N.R. gross rev. (May)	41,145	38,554	188,756	174,849	+7.9
C.N.R. net rev. (May)	3,749	4,304	9,459	13,559	—30.2
▪C.P.R. gross rev. (May)	28,205	26,765	133,284	124,360	+7.2
▪C.P.RR. net rev. (May)	1,284	1,643	3,943	4,653	—15.3
IRON AND STEEL (000's omitted) (April)					
Pig iron production (tons)	170.8	160.7	654.6	653.1	+0.2
Steel production (tons)	264.3	252.2	1,046.7	1,000.9	+4.5
CONSTRUCTION (000's omitted)					
Contracts awarded (May)	134,916	64,206	349,200	253,600	+37.7
Cement prod., bbls. (April)	1,038	933	4,156	3,395	+22.5
AGRICULTURE (000's omitted)					
Flour prod., bbls. (May)	1,726	2,611	9,241	11,918	—22.5
Flour exp., bbls. (May)	1,715	2,308	5,493	7,389	—25.7
Wheat exp., bush. (May)	12,206	18,315	46,933	55,735	—15.8
Cattle sales (May) (4)	105.3	111.9	591.6	522.8	+13.1
Hog sales (May) (4)	403.7	486.3	2,432.8	1,933.3	+25.8
SEA FISHERIES (000,000 omitted)					
Catch, lb. (May)	145.5	127.8	421.4	298.5	+41.2
Landed value, $ (May)	6.5	6.0	14.6	11.3	+29.2
NEWSPRINT (000's omitted)					
Production (April)	386	369	1,490	1,453	+2.5
Exports, tons (April)	381	376	1,441	1,414	+1.9
MINING AND OILS (000's omitted)					
Coal prod. (tons) (May)	1,353	860	7,128	5,524	+29.0
Gold prod. (fine oz.) (Apr.)	286	254	1,109	976	+13.6
Petroleum prod. (brl.) (Mar.)	816	602	2,374	1,734	+36.8
ELECTRICAL POWER OUTPUT (000,000's omitted) (April)					
Total monthly kw.h.	3,733	3,727	14,750	15,125	—2.5
FOREIGN TRADE (millions of $)					
Imports (April)	226.7	225.6	812.0	785.4	+3.4
Exports (May)	282.3	267.8	1,166.6	1,055.8	+10.5
FINANCE (millions of $)					
Bank debits (Apr.)	6,861	6,043	25,180	23,593	+6.7
Bond sales (Apr.)	196.2	566.3	1,838.0	2,138.7	—14.1
Life insurance sales (Apr.)	102.8	102.4	408.0	409.1	—0.3
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod. (Apr.)	2,984	3,405	11,231	13,293	—15.5
Cigarette cons. (no.) (May)	1,264	1,379	6,384	6,227	+2.5

(1) Base period 1935-39=100.
(2) All industries.
▪ New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

Significant Investors' Index Numbers

(Base 1935-39=100)

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prcd.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	10	8	4	4	9	13	8	16	14	8	16	100
***1935 to date:**												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1948: Monthly Figures:												
Jan.	189.8	216.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9	107.5
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	294.1	122.8	95.2	129.7	110.1	102.2
Mar.	185.9	243.7	104.9	65.2	186.6	109.6	289.7	121.4	98.4	127.8	107.4	101.5
Apr.	209.1	256.5	109.5	70.1	197.3	115.2	312.6	132.0	102.5	127.7	116.5	109.1
1948: Weekly Figures:												
May 6	213.2	265.1	110.2	72.8	208.9	112.9	318.2	136.2	103.3	128.5	119.9	111.8
May 13	226.2	270.7	111.9	74.6	217.8	131.1	320.5	141.5	105.5	128.0	127.3	114.6
May 20	234.8	279.6	116.2	79.4	219.5	115.2	346.3	146.1	113.8	130.1	133.7	120.3
May 27	237.8	280.9	114.1	79.6	216.6	114.7	342.0	145.7	109.5	126.8	130.8	119.5
June 3	248.8	280.6	111.3	79.0	219.3	116.0	337.3	144.2	107.6	128.5	130.4	119.8
June 10	247.9	282.2	109.9	80.0	219.0	117.1	321.5	144.5	109.8	128.0	132.6	120.2
June 17	247.9	278.2	112.2	80.9	223.0	116.6	319.0	144.2	108.8	128.3	133.1	121.3
June 24	246.1	278.0	113.2	77.9	219.3	114.0	319.5	143.6	109.5	129.2	132.5	119.8
July 2	240.4	275.4	113.7	77.6	220.8	114.3	323.1	140.2	107.5	128.6	129.2	118.2

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
July 5	....	....	....	....
July 3	....	....	....	....
July 2	190.06	63.94	35.64	71.16
July 1	189.03	62.52	35.61	70.52
June 30	189.46	62.76	35.70	70.71
June 29	188.49	61.80	35.54	70.15
Month ago	190.13	59.51	35.30	69.70
Year ago	182.04	48.25	35.63	64.62
1948 High	193.16	62.90	36.04	71.18
1948 Low	165.39	48.13	31.65	59.89

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 5	185.72	84.78	100.40	41.36
July 3	....	....	....	....
July 2	184.84	84.72	100.54	41.90
July 1	....	....	....	....
June 30	184.40	85.15	99.83	40.42
June 29	184.69	85.16	100.32	40.73
Month ago	189.17	91.92	101.98	44.38
Year ago	169.51	107.77	81.96	34.94
1948 High	191.44	104.68	103.93	48.11
1948 Low	149.13	84.72	77.67	26.68

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
July 5	76.9	133.3	114.5	375.59	56.97
July 3	....	....	....	....	....
July 2	76.7	133.1	114.3	376.20	58.17
July 1	....	....	....	....	....
June 30	77.0	133.4	114.6	375.10	58.12
June 29	76.9	133.3	114.5	364.81	58.45
Month ago	76.0	133.2	114.1	377.61	64.32
Year ago	77.1	123.7	108.2	343.80	73.82
1948 High	77.7	135.4	116.0	384.80	74.92
1948 Low	70.7	108.0	95.7	290.26	58.15

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 6, 1948

Public Utility Issues.	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	64½	67½	65
†Assoc. Tel. & T.	5½	'55	109	...	109
Bell Telephone	3	'77	96½	99½	96½
B. C. Electric	3½	'67	92½	95½	93
Calgary Power	3½	'72	95	98	95
East Kootenay	3¾	'67	94	...	94
♦Gatineau Pr. D	3½	'70	97½	100½	97½
*Do., C	3	'76	95	...	95
Gt. Lakes Pwr.	3½	'67	95	98	95
*Int. Hydre-El.	6	'44	67½	70½	67½
L. St. Law. Pr.	3¾	'65	97½	100½	97½
Maclaren-Quebec Power	3	'69	95	...	95
†Mtl. Trams. A	5	'55	99	102	99
Nat. Lt. & Pr.	4½	'61	100	...	100
Nor. Que. Pr.	4½	'67	98	101	98
Ott. L.H. & P.	4	'57	100	...	100
Power Corp.	3½	'67	95	98	95
Quebec Pwr.	3	'62	96½	99½	96½
*Saguenay Pr.	3½	'71	98½	...	93½
St. Maurice Pr.	3½	'70	96	99	96
Shaw. W. & Pr.	3	'61	98	101	98
Shaw. W. & Pr.	3	'71	95	98	95
Do.	3½	'70	99½	102½	99½
Union Gas	4½	'50	99½	102½	99½
Un. Fuel Invest.	4	'59	99	...	99
United Secs.	3	'52	98½	...	98½
Wpg. El.	3¾	'71	101½	104½	101½
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	97	100	97
Acadia-Atlantic Sugar	3½	'65	100	103½	100
Aluminum Co.	3½	'74	101	104½	101
Bathurst P. & P.	3¾	'68	98	101	98
B. C. For. Pdcts.	4	'66	93	96	93
B. C. Pulp & P.	3½	'67	95	98	95
Bowater's Nfld. P. & P.	3½	'63	96½	99½	96½
Brompton P. & Paper	3½	'66	94½	97½	95
*Brown Co.	5	'59	101½	104½	101½
Burns & Co.	4	'63	98	101	98
Can. Steamship	3½	'57	101	104	101
Can. Brews.	3½	'67	92	95	92½
Can. Celanese	3	'62	96	99	96
Can. Oil	3½	'62	97½	100½	97½
Can. West Lum.	4	'62	99½	102½	99½
Chatco Stl. Prod.	4	'67	91	96	91
C. P. R.	3½	'51	102	105	102
Do.	4	'49	100½	...	100½
*C. P. R.	4	Perp.	106	...	106
Consol. Paper	3½	'67	100	103	100½
Dom. Coal	4½	'52	100	...	100
Dom. T. & Ch.	3½	'57	100	...	100
Dom. Textile	3½	'59	100½	...	101½
Dom. Woollens	5	'64	100½	103½	100½
Dryden Pap.	4	'61	100	...	100
E. B. Eddy	3½	'66	95½	98½	95½
E. B. Eddy	4	'66	100	103	100
English Elec.	4	'67	94½	...	94½
Federal Grain	4	'64	98	101	98
Gt. Lakes Pap.	3½	'67	98	...	98
Imperial Tobac.	2¾	'66	95	98	95
Indust. Accept.	3½	'68	93	96	93
Lake St. J. P.	5	'61	101	104	101
Lang, John A.	4½	'62	99	...	99
Laurentian Silk	4½	'67	99	...	99
MacMillan (H. R.) Export	4	'65	100	103	100
Maple L. M.	3¾	'63	98½	102	98½
Massey-Harris	3	'66	93½	96½	93
McColl Fron.	3	'71	94	...	94
McCormicks	4	'52	99½	...	99½
Mercury Mills	4	'63	99	...	99
Monarch Knit.	4	'66	100	103	99½
Morgan (Henry) Prop.	3½	'67	94½	...	94½
N.S. Stl. Coal	3½	'63	96	99	96
Penman's	3½	'66	99	102	99
Price Bros.	3½	'66	98	101	98
Silv. Dairies	4	'60-64	97½	100½	97½
Do.	4	'71	94	98	94
Simpsons Ltd.	3½	'60	101	104	101
Steel Co. of Can.	2¾	'67	93½	96½	93½
Toronto Elevat.	3½	'66	98	...	98
United Corp.	4	'58	99	...	99
United Steel	4	'60	98	102	98
Untd. Grain Gr.	4	'63	99½	...	99½
†Western Grain.	5	'63	75	79½	75½
York Kt. Mills	3½	'71	91	94	91

*Payable in Can. or U.S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
▲Payable in Canada or U. K.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporations and Foreign Securities.

DOMINION

Dominion of Canada Treasury Bills—Due Sept. 24, 1948, $75,000,000, issued June 24, 1948. Sold at $99.89747, cost basis .412%.

MUNICIPAL

Town of Arvida, Que.—3% debentures, due Mar. 1, 1949-73, $500,000, issued June 21, 1948. Sold to A. E. Ames & Co., Ltd.; Royal Bank of Canada; Geoffrion, Robert & Gelinas, Inc., at $97.6005.

City of Cap de la Madeleine, Que.—3%, 3¼% and 3½% debentures, due May 1, 1949-53-60-63, $120,000, issued June 21, 1948. Sold at $99.04 to Paul Gonthier & Co. Ltd. and Banque Provinciale du Canada.

Town of Coaticook, Que. — 3% debentures, due May 1, 1949-68, $14,000 due June 21, 1948. Sold at $98.36 to Savard, Hodgson & Co. Inc.

Town of Pointe-Claire, Que.—3% debentures, due June 1, 1949-63, $122,500, issued June 21, 1948. Sold at $98.11 to Banque Canadienne Nationale and Casgrain & Co. Ltd.

Municipality of Val Morin, Que.—3¼% and 3½% debentures, due Jan. 1, 1949-58-68, $25,000, issued June 21, 1948. Sold at $98.30 to Banque Provinciale du Canada.

Township of Grantham, Ont. — 3¼% debentures, due July 15, 1949-68, $204,000, issued June 21, 1948. Sold at $100.822 to Anderson & Co. and Imperial Bank.

Township of London, Ont.—3¼% debentures, due July 1, 1949-68, $650,000, issued June 22, 1948. Sold at $100.385 to W. C. Harris & Co. Ltd.

Town of Fort Frances, Ont. — 3% and 3½% debentures, due June 1, 1949-63 and May 1, 1949-68, $33,300, issued June 26, 1948. Sold at $99.25 to J. L. Graham & Co. Ltd.

Town of North Sydney, N.S.—3% and 3½%, debentures, due July 2, 1949-68, $120,000, issued June 28, 1948. Sold at $101.17 to Stanbury & Co. and Cornell, MacGillivray Ltd.

City of Sudbury, Ont.—2½% debentures, due July 20, 1949-58, $487,182, issued June 28, 1948. Sold at $97.358 to Anderson & Co. and Cochran, Murray & Co. Ltd.

City of Fredericton, N.B.—3%, 3¼% and 3½% debentures, due July 1, 1949-68, $375,000, issued June 29, 1948. Sold at $100.676 to Burns Bros. & Denton and Bank of Nova Scotia.

Village of Swansea, Ont. — 3% debentures, due July 1, 1949-58-63, $26,671, issued June 30, 1048. Sold at $100.04 to Canadian Bank of Commerce.

CORPORATE

Dominion Steel & Coal — 4%, 20-year sinking fund 1st mortgage bonds, $5,000,000, issued June 30, 1948. Offered privately by Wood, Gundy & Co. Ltd.

Mersey Paper, Liverpool, N.S.—3½% 1st mortgage series B bonds, due July 2, 1952-57, $1,200,000, issued June 30, 1948. Offered privately by Royal Securities Corp. Ltd.

Municipal Bonds

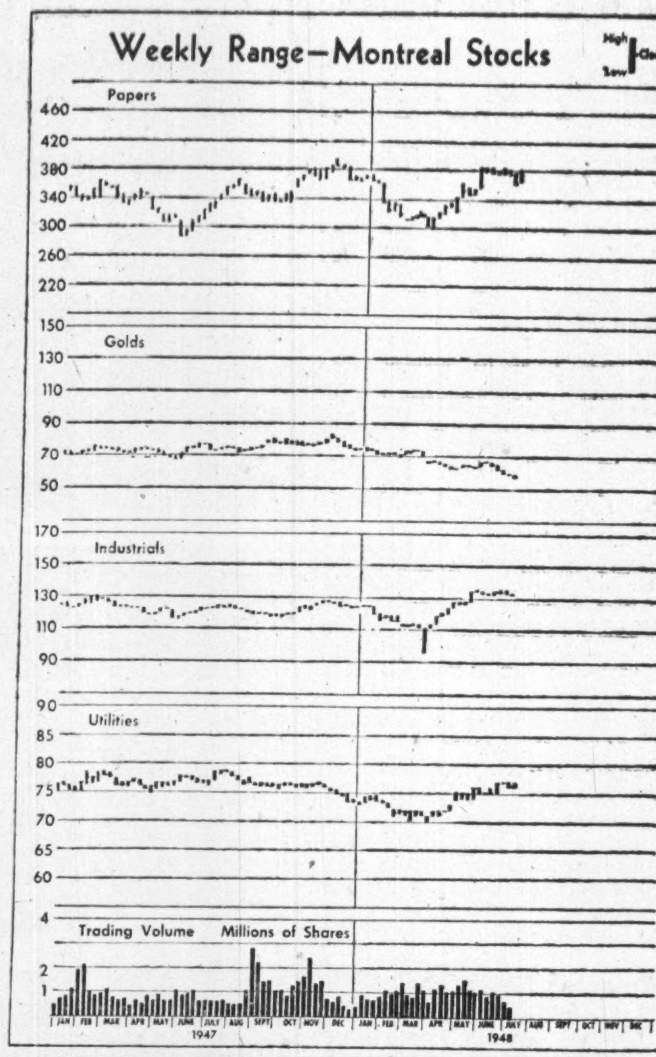
July 6, 1948

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'55-66	98	101	3.60
Vancouver	3	'67	93	96	3.27
Calgary	3½	'51-61	99	101	3.12
Edmonton	3½	'49-59	99	101	2.67
Regina	3	'64	92	95	3.39
Moose Jaw	3-3½	'60	97	99	3.27
Winnipeg	2¾	'66	93	96	3.03
Ottawa	3	'54	101	103	2.48
Toronto	2¾	'72	92	95	3.05
Hamilton	3	'53	101½	103½	2.25
Windsor	2½	'75	72½	75½	3.95
Quebec	2¾	'66	90	93	3.26
Halifax	3	'66	95	97	3.22
Saint John	3½	'65	100	103	3.27
Windsor	2¾	'75	76	79	4.00
Windsor	3½	'75	89	92	3.98
Montreal	3	'70	93	96	3.25

Unlisted Mines

Approximate quotations, 3 p.m., July 5, subject to confirmation:

	BID	ASK									
			Dom Mal	1	1½	Marbenor	6½	8	Pinnacle	1½	2½
Abenakis	2	3	Dom Nick	4	5	Marquette	1	3	Poona Go	1	3
Advance	3	4	Dona Pat	1	2	Mar Bird	4	6	Presdor	1½	2½
Alexander	3	5	Durham	9	11	Mary Ann	3	6	Princess	13	15
Aljo	1½	3	Doris	½	1½	Mat Con	31	35	Privateer	19	22
Ama Kir	5½	7	Echo Indin	2½	4	Mate Yel	3	5	Quejo	4	6
Annamaque	1	3	Elmac	3	5	Metalore	2½	3½	Quest	2	3
Argonaut	2½	3½	Erin Kirk	1½	2½	Miles RL	6	8	Rajah RL	1½	3
Audley	½	2	Flicka	1½	3	Mindus	8	10	Rand Mal	5	6
Aurora Y	10	13	Gan Cop	4	5	Mink	2	4	Randona	8	10
Auterra	½	2	Gilbec	½	1½	Mistassini	15	18	Raymond	2½	4
Baker	2	4	Goldpac	15	20	Moffat H	1½	2½	Rebair	—	20
Barb L n	2	4	Goodrock	1½	3	Mohawk P	2	4	Redruth	1	2
Beuriv	2	4	Gord Lebel	3	5	Murbell	½	1½	Redwood	6	7
Bi Ore	37	40	Gov Gold	3	5	Murmac	19½	22	Richgroup	—	3
Blondor	2	3	Grnd Chib	25	40	McCuaig	3	5	Russet	3½	4½
Blue Grass	1	3	Granleduc	35	40	McManus	5	7	Rhyolite	2	3
Bouzanne	3½	5	Greenlee	5	6	Nat M	10	12	Salmita	5½	7
Bourl C	2	4	Groundhg	10	15	Nayb '45	5	8	Santiago	11	14
Bradnor	1	3	Gwilliam	3	4	Newcore	13	16	Sepha	2	3
Br Breest	1	3	Halden	5	7	New Aug	8½	10	Sheldon	13	16
Braminco	16	—	Habitant	3	4	New Mal	3	5	Silv Arro	—	12
Bravo	1½	2½	Harp Mal	1	2	Nw Ranch	5	7	Skynner	1	2
Bright RL	2	3	Hornfault	8	10	Nichel L	8	10	S Dufalt	—	15
B McDade	6	8	Hayes Cd	½	2	N Offsets	300	375	Sovereign	4½	5½
Burley Po	1	2	Hugh Pam	7	9	Norbeau	55	65	Starlight	2	4
Camlaren	3	5	Independ	—	4	Norcourt	3½	4½	Sun Bear	6½	8
Captain	2	4	Joannes D	1½	3	Norford	2	4	Thornhill	1	2
Carlmac	1	4	Kamlac	10	13	Normar	4	6	Tiffany	1½	2½
Carricona	1½	2½	Ken Bay	7	9	Nortyne	1	3	Tobico	1½	2½
Cassidy	2½	3	Kenda Pe	6	8	Novele P	2	4	Tower P	74	77
Cent Mani	6	7	Kenroy	1	2	Obalski	4	8	Tovarich	½	1½
Cock RL	2	3	Lk Expa	3	5	do '45	8	10	Universal	5	7
Columbier	1	3	Lar-Add	2	4	Obaska	8	11	Val d'Bel	2	3
Con Chib	24	29	La Salle	4	6	Oklend	3	4	Vermilion	39	42
Con Cop	10	12	Lavalie	2	3	Olivet	1½	2½	Viking	20	25
Couragco	1	2	Legardo	½	1½	Opemiska	10	12	Vinray	2½	3½
Craibbe	6	8	Lennie	4	6	Orofino	21	23	Wesley	1	2
Croydon	2	4	Lingnora	16½	19	Ortona	3	4	West RL	1	2
Cuyuni N	50	55	Louvore	1	2	Pascalis	9	11	Wilwood	1	2
Delhi	3	5	Macho-R	36	39	Pelangio	3	4	Y Davids	16	18
Derlak	2½	3½	Malen RL	9	11	Payne	5	6	do vt	125	—
De Sant n	3	5	Major Oil	3	4	Phelps	1	2	Yelknife	125	—



Market Comment

What stocks and bonds are doing and what prominent observers say.

The stock market is entering a seasonally bullish period, and technicians believe that, barring unforeseen adverse news, July and August should tack on further market gains. No sharp general upturn is anticipated; rather, a slow upward pressure on a wide list of pivotal stocks, representing companies currently enjoying high earnings.

In the last quarter century, the Dow-Jones railroad averages have advanced in 17 Julys and declined in eight. In August, the industrials have advanced 16 times and declined nine. The mild correction of the past weeks has served to strengthen the market so that any strong buying power should meet fewer offerings, the technicians say.

While brokers say there is no strong buying urge at the moment, there are a good many bids under current market prices. These bids could be raised on any indication of a resumed market advance. If the market is to move forward, motors, steels, railroads and base metals will likely be in the van.

A Financial Post survey of industry reveals that profit margins are still under pressure in nearly every industry; but higher sales volume, together with lower corporate tax rate, will likely offset lower per-unit profit margins. Although spotty, the 1948 industrial profit position is expected to be around 1947 levels. Base metals is one industry in which 1948 profits are expected to establish new highs.

* * *

W. D. Benson, R. Moat & Co. (Montreal): "Twice in as many years there have been sound economic reasons to anticipate a business re-adjustment of some magnitude; and on each occasion the market has concurred in this belief. Twice in as many years this apparently impending realignment of prices, values and costs has been averted almost at its inception by the proverbial "shot-in-the-arm."

In the spring of 1947, deterioration in the business picture was reflected in general market weakness. The situation was restored by veterans' bonuses, removal of controls on consumer credits, increased freight rates for railroads and bumper crops at home.

In the spring of 1948, conditions indicated that the time was once more ripe for readjustment. Again the market hesitated. Then came implementation of ERP, orders for heavy defense expenditures, income tax reductions in United States and a reversal in psychology, leading to a new conception of industrial requirements. From this it appears that the situation has been restored by artificial stimulation of demand rather than by a correction of adverse cost factors. In other words, correction has been deferred rather than avoided. Enthusiasm must be tempered with caution.

As to the medium-term future, the opinion is advanced that a constructive market policy is fully justified. A new upswing into September or October may well be in the making, moving in conformity with seasonal factors and the normal trend of stock prices in U. S. presidential election years — historically upward from June into November.

Doubts as to the ability of corporations to maintain earnings have been, for the time being, allayed. The market will likely proceed to place a more liberal estimate on the outlook for net profits.

* * *

J. Bradley Streit & Co. (Toronto): Seldom, if ever, in history, has the future marketing prospect for Canadian base metal operations appeared so encouraging from the longer-term standpoint. Underwriting of European recovery through the Marshall Plan suggests that demand for base metals may be augmented beyond even present levels. But the "extra" is not required for a very profitable level of activity for Canadian base metal mining.

By far the majority of Canadian base metal mines will probably realize profits in 1948. Consolidated Smelters, Hudson Bay, Waite Amulet, Normetal and Golden Manitou, appear slated for top profits this year; and the majority of base metals, which do not enjoy record profits this year, should nevertheless experience a substantial improvement in profit levels over the very satisfactory profits reported for 1947.

* * *

Trends & Timing Ltd. (Toronto): Markets, both here and in New York, have given no indication, since the sharp May rise, as to whether they will go on to make new highs or not. We continue to believe that the purchasing power, in terms of stocks, of every dollar, will be much greater in the foreseeable future than it is today. Those who take the contrary view may enjoy some prosperity in the meantime, but they are, we think, assuming more than normal risks which can be avoided by exhibiting sufficient patience to sit out the present uncertainty.

* * *

Barron's: The Trader (New York): Inflation is moving ahead in virtually every sector of the economy save the stock market, which is absorbing only a nominal amount of bank credit and which is capitalizing rising earning power at a ratio far below such prewar years as 1939 and 1937. Major deflationary influence of 1947, viz., retirement of public debt, has been rendered a hopelessly remote possibility by ECA and defense programs. Sooner or later, the stock market must pay full heed to all its explosive potentialities.

New Highs and Lows

During the week ended July 2, 18 new highs were recorded among the "general" stocks traded on Canadian Stock Exchanges, and nine new lows. In the mining group there was one new high and 34 new lows; one new high and three new lows among the western oils.

GENERAL

New Highs—1948

- Bruck Mills
- Canada Cement pf.
- Can. Flooring
- Candn. Gen. Inv.
- Commercial Alcohol pf.
- Consolidated Div. Sec. A
- Fibre Products
- Gt. West Coal
- Int. Paper pfd.
- Maritime Tel.
- Mercury Mills
- Pantepec Oil
- Rand S.S.
- St. Lawr. Flour
- Shawinigan W. & Pwr.
- Stand. Clay
- Thayers. pref.
- United Grain A

New Lows—1948

- Auto Electric
- Can. Perm. Mtge.
- Cub Aircraft
- Halifax Ins.
- Imperial Oil Rts.
- Silverwoods A
- Do. B
- W. Grocers pfd.
- York Knit. A

MINING

New Highs—1948

- Grandoro

New Lows—1948

- Ashley
- Bevcourt
- Bidgood
- Buffadison
- Canusa
- Cartier Malartic
- Chesterville
- Discovery
- Diversified Mng.
- Elder
- Heath Gold
- Hedley Mascot
- Jacknife
- Kelore
- Kerr-Addison
- Kirkland Lake
- Lake Shore
- Lingside
- Little Long Lac
- Madsen Red Lake
- McIntyre
- Norpick
- Omnitrans
- Osulake
- Pandora
- Partanen
- Pioneer Gold
- Premier Border
- Santiago
- Sigma Mines
- Silver Miller
- Tombill
- Upper Canada
- Yellowknife Bear

OILS

New Highs—1948

- Command

New Lows—1948

- Cons. Homestead
- Foot Hills
- Mercury

Ont. Govt. to Test Haliburton Showing

Reported radio-active minerals in Haliburton County, Ont., and district, are to undergo a geological survey by Ontario Department of Mines, Mines Minister Leslie M. Frost, states. Geologists Nelson Hogg and S. E. Wolfe, will conduct the survey.

Mr. Hogg has recently returned from an examination of a radioactive mineral discovery at Coral Rapids, on the Ontario Northland Railway, some 90 miles north of Cochrane.

$5 Million Bonds Issued by Dosco.

MONTREAL (Staff) — To finance expenditures in connection with plant additions and improvements, Dominion Steel & Coal Corp. has sold $5 millions of 4% first mortgage 20-year sinking fund bonds. The issue was sold privately through Wood Gundy & Co. Dosco president C. B. Lang stated that proceeds would be used to cover the costs of the construction program which includes additions and improvements to a subsidiary, Canadian Tube & Steel Products, and the new $4 million coke oven plant at Sydney, N.S.

Sales of these bonds brings Dosco's outstanding bonded indebtedness to $8,775,000, of a total of $10 millions authorized first mortgage bonds. Outstanding bonds include $2,025,000 of 3½% serials due Mar. 1, 1948-56; $1,750,000 3½% 15-year sinking fund due Mar. 1, 1961; $5 millions 4% 20-year sinking fund.

June Trading Off But Values High

Although trading figures on the Toronto Stock Exchange for June at 15,932,740 shares were the lowest in a number of years, trading values, at $43,787,077 were, apart from May's $55,801,816, the best since February 1947.

The continued high rate of dollar value against low share trading resulted from a strong industrial market, where activity in issues such as the major oil refining stocks, CPR and International Nickel, was pronounced.

For the month, the Exchange's industrial index dropped 4.96 from previous month, gold hit a new low for some years at 84.72 down 7.6; base metals were down 1.98, while western oils declined 3.56.

Following are the 10 most actively traded industrial stocks during the month.

Int. Petroleum	112,511
Imperial Oil	84,513
Can. Pac. Rlwy.	50,386
Int. Nickel	37,978
Candn. Breweries	36,828
Massey-Harris	35,553
Atlas Steel	34,346
Walker G. & W.	28,546
Candn. Western Lumber	20,675
McColl-Frontenac	18,169

Staff Changes

The Bank of Nova Scotia announces the following staff changes.

E. M. ROBINSON, to be an assistant supervisor at head office.

A. A. ACHESON, to be manager, Chesterville, Ont.

J. H. RATTEE, to be manager, Park & Fairmount, Montreal.

J. A. HAMILTON, to be an assistant manager, Montreal.

The Bank of Toronto announces the following staff changes.

L. N. HICKS, formerly manager, Walkerville, Ont., to be manager, Eglinton & Avenue Road, Toronto.

D. W. MARKS, formerly accountant, Sudbury, Ont., to be manager, Walkerville, Ont.

L. C. E. LAWRENCE, formerly manager, Dundas & Keele Sts., Toronto, to be a supervisor at head office.

W. J. STRATHDEE, formerly attached to the supervisors' department, head office, to be manager, Dundas & Keele Sts., Toronto.

N. M. PATON, formerly accountant, Board of Trade, Montreal, transferred to main office, Montreal.

D. R. TAYLOR, formerly accountant, Bernard & Hutchison, Montreal, to be accountant, Board of Trade, Montreal.

C. J. INGRAM, formerly of main office, Montreal, to be accountant, Bernard & Hutchison, Montreal.

D. G. BELL, formerly of St. Clair & Christie Sts., Toronto, to be accountant, Wyoming, Ont.

The Royal Bank of Canada announces the following staff changes.

R. K. ARMSTRONG, supervisor's department, Regina, to be manager, Melfort, Sask.

K. S. RILEY, accountant, Boissevain, Man., to be manager, Rivers, Man.

L. C. KITCHEN, accountant, Fort Erie, Ont., to be manager, Mount Hamilton, Hamilton.

H. L. McKEE, assistant manager, St. John's, Nfld., to be assistant manager, Stanley St., Montreal.

D. M. SMITH, to be accountant, Yonge & College Sts., Toronto.

H. R. McGRATH, Perth, Ont., to be accountant, Renfrew, Ont.

F. A. THORGRIMSSON, Langruth, Man., to be accountant, Boissevain, Man.

S. R. HENDERSON, to be accountant, Fort Erie, Ont.

C. H. LINTON, to be accountant, McKay, B.C.

C. T. Oliver, to be accountant, Geraldton, Ont.

H. W. CLARKE, Bruno, Sask., A. F. FAIRMAN, Melfort, Sask., retire.

C. C. FIELDS & CO.
200 BAY ST. WA. 4731 TORONTO
Branch Office at KINGSTON
Members, The Toronto Stock Exchange

SAVARD & HART
MEMBERS
MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET

SAVARD, HODGSON & CO. INC.
MEMBER
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Advertising

Ames & Carter Advertising Co. is new firm on Toronto scene. Partners are M. D. Ames, formerly with another Toronto agency, and A. J. Carter, formerly Toronto Daily Star display advertising department. Offices at 65 Adelaide St. E.

* * *

O'Brien Advertising Ltd., Vancouver, is directing B. C. Government Travel Bureau campaign on U. S. Pacific Coast to offset impression floods have interfered with vacation travel. Ads in 22 papers and two magazines, spot announcements on four dominant radio stations, carry campaign to 11 Western states.

* * *

Cockfield, Brown & Co., Montreal, is placing advertising in Toronto and Hamilton newspapers for "Ting," U. S. war-developed treatment for foot itch now distributed in Canada by Laurentian Agencies Ltd. Distribution will be extended when supplies available.

* * *

Harold F. Stanfield Ltd., Toronto office, appointed to handle advertising for Canada Life Assurance Co., effective immediately. Plans for current year's campaign being considered.

* * *

Miles Laboratories, Ltd., Toronto, manufacturers Alka-Seltzer, One-A-Day Vitamin Tablets, set up sales organization with R. L. Brophy sales manager and staff: Ross C. Stewart, Toronto and Western Ontario; John R. Gorman, Eastern and Northern Ontario; Alfred S. Scott, Maritimes; Maurice D. Gendron, Montreal and Quebec province; Robert D. White, Alberta and B. C., and Harold S. Harvey, Manitoba and Saskatchewan. Cockfield, Brown & Co. announce change in drug trade paper advertising.

Partners Fined $21,157 On Income Tax Charges

Fines and penalties totaling $21,157 were imposed on two partners, operating a shoe store in Ottawa, Rufus Louis Beardsley and Harold Clarence Beardsley on 15 charges of attempted evasion of income and excess profits tax.

The total included a penalty of $13,627, double the amount of unpaid excess profits taxes. In default of payment, the partners faced a two-year reformatory term. Individually, the partners were fined a total of $3,500 or 21 months in jail on seven counts of filing falsified tax returns.

Wise Investment looks to High Integrity of the Principal, Ample Security and Attractive Yield. As a safeguard to our clients, we apply these standards to all investment recommendations. Let our long experience be your guide to wise investment.
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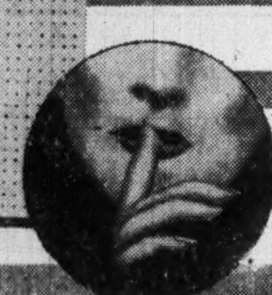
8-5



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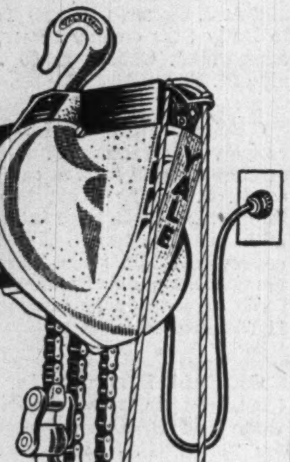

See FAIRBANKS-MORSE

first for CHAIN HOISTS

The Yale "Midget King" Electric Hoist

The "Midget King" is portable, small, light in weight, but embodies a maximum of ruggedness and strength. It's a quick-lifting hoisting unit that's unrivalled for efficiency and dependability. There's a Yale Chain Hoist, either hand or electric, for every job; each made of the finest steel from "hook to hook". See us, too, about Yale Hand Lift or Electric Trucks which give you quicker and simpler transport of your products at less cost. Full information at our nearest office.

The CANADIAN
Fairbanks-Morse
COMPANY Limited
The Departmental Store For Industry
FIFTEEN BRANCHES FROM COAST TO COAST

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

"Fire-safe Wood"

Flame-resistant frame house may be a little nearer. Big Pennsylvania maker of coking equipment, chemicals and construction materials claims an improved chemical pressure-treatment for lumber in framing and finishing buildings; says it will give wood greatly increased ability to check flame, decay and termite attack over wood treated by established chemical formulae. Treatment is said odorless and harmless to lumber's color and paintability.

* * *

Car Bed

Covered with foam rubber, automobile front seat made by California firm tips back into a comfortably wide, soft bed.

* * *

Nylon Carpet

Floor covering with pile completely woven of nylon on five-ply cotton back is said easily cleanable with soap and water and storable, if clean, without any special protection against moths. Pile will melt in fire, but won't support flame.

* * *

U. S. Trade Fair

International Industries Exposition which opened June 26 at Atlantic City, N.J., continues until Sept. 11. It's first world trade fair ever held in United States; follows North America's first, in Toronto, by about a month.

* * *

Light Cord Reel

Portable reel for electric light extension cord for use in garage, industry or home features three casters to aid movement and focusing, 20 ft. of rubber-covered cord, a level-winder guide to distribute the cord evenly on the reel.

* * *

Surfaced Plywood

Paper-plastic surfacing of plywood, as in "Kimpreg," increases the material's tensile and flexural strength, cuts rate of moisture absorption, provides good surface for painting and finishing, minimizes checking, resists temperature extremes, weathering, abrasion, splintering. Tough and durable, this new surface for an established structural material consists of special paper stocks impregnated with phenolic resins.

* * *

Electrified Glass

Transparent film of oxide 20-millionths of an inch thick enables "Electrapane" vehicle window glass to carry electric current which eliminates icing and fogging. Designed secretly for military use; now being tested in automobiles, trucks, bulldozers, ships, locomotives, aircraft, etc. Tests are said to prove that for all practical purposes, film is as durable as glass itself.

* * *

Self-power Phone

Designed primarily for explosion-hazard industry and transport use, self-powered telephone also may find many uses in isolated areas and on farms where commercial power for phone service isn't available. It will "talk" and ring up to 20 miles, operates without batteries or other power connection. The called phone is signalled by a manually operated lever in ringing box which is part of each unit. Ethyl cellulose, a tough plastic material is used in molding the plastic ringer case because of its resistance to corrosion, extreme variations, humidity, shock, vibration. Main application in oil tankers and barges, in explosives, lacquer, volatile solvents and chemical plants where standard phones present hazards from sparking contracts or short circuit of power supply.

* * *

Record Repair

Iowa firm has device for salvaging phonograph records with damaged pivot holes; consists of plastic disc that can be cemented around the centre.

* * *

Ice Crusher

Bracket-type ice crusher grinds two sizes. Either cubes or lumps go in top and handle is turned—left for coarse crush, right for fine. Tenite plastic cup catches the crushed pieces ready for kitchen or bar use. "Ice-O-Mat" is made in Missouri; distributed by Toronto firm.

* * *

Seat Becomes Bed

Reclining car seat which fits any standard automobile tips back and converts into bed. Made of foam rubber, these front seats are said to make auto serve needs of emergency ambulance or tourist bed.

* * *

Colorfax Recorders

Initial production of 5,000 radio Colorfax receiving units was announced in U. S. following approval there recently of sponsored facsimile programs. Retailing there at $100 to $150, unit can be attached to standard FM receiver.

* * *

Tiny Camera

U. S. claims to be maker of "the world's smallest 35 mm camera," measuring just 1⅝ inches long. All winding keys and push-buttons have been recessed into die-cast aluminum body.

* * *

Elevator Control

Electronic signal control automatically stops an elevator at the floor where passenger is waiting after passenger touches small disc in a wall fixture. Since there are no moving parts in this button, it can't be jammed with pins, chewing gum, etc. Electronic signal claimed to reduce amount of electric wiring and eliminate number of relays formerly used. Operator is relieved of all duties except touching buttons in car to register destinations of passengers, closing door, and starting elevator.

BERTRAND GERSTEIN

secretary-treasurer of Peoples Credit Jewellers, Ltd., Toronto, has been re-elected to the board of directors of the Retail Credit Institute of America, for a two-year term.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LONDON HOSIERY MILLS net profit for the year ended March 31, 1948 was up 19.2%. Production in all departments and shipments showed an increase over the previous year. Production costs have shown an increase over previous years, mainly due to increased prices of yarns and other materials. Wages increased 25% during the year.

Capital expenditures amounted to $42,048, made up chiefly of a new boiler and a new brick chimney at a total of $30,418. Having regard to increased demand for company's products, directors feel justified in looking to the future with confidence, President J. A. McKeeman states.

INCOME ACCOUNT

Years Ended Mar. 31:	1948	1947
Net earnings	$176,960	$141,604
Less: Deprec.	10,936	6,979
Inc. taxes	69,566	53,695
Net profit	96,458	80,930
Less: Cl. A divds.	27,000	......
Com. divds.	†165,000	......
Old pref. divds.	12	......
Deficit for year	95,554	......

†Includes dividends on old stock.

Earnings per Share and Dividend Record:		
Class A	$2.14	$1.80
Paid	0.60	......
Common	0.76	0.56
Paid	0.60+0.15	......

CONDENSED BALANCE SHEET

As at:	Mar. 31 1948	June 30 1947
Cash & Dom. bds.	$380,817	$393,309
Accts., etc., rec.	120,448	88,361
Inventories	214,297	218,924
Total curr. assets	715,562	700,594
Prep. exp.§	19,085	29,354
Invests.	38,094	2,000
Ref. EPT	20,540	20,370
Fixed assets*	108,645	90,599
Total assets	901,926	842,917
Accts., tax., etc., pay.	53,831	27,804
Divd. pay.	49,000	......
Total curr. liabs.	102,831	27,804
Capital stock	125,000	20,450
Capital surplus	......	†99,550
Earned surplus‡	674,095	695,113
*After depr. of	292,705	287,130
‡Incl. ref. EPT	20,540	20,370

§Incl. in curr. assets in co's. report.
†Transferred to earned surplus.

Working capital	612,731	672,790

JAMAICA PUBLIC SERVICE reports total operating revenues for the twelve months ended April 30, 1948 of $2.2-millions, an increase of more than $240,000 over 1947. Net income at $338,177 was $15,000 lower than a year ago, due to increased operating costs.

NEW BRUNSWICK POWER CO. is calling all its outstanding first mortgage serial and sinking fund bonds 4% series due June 30, 1949, 4% due June 30, 1950 and 4½% due June 30, 1964, on July 15, 1948.

ROUYN MERGER GOLD MINES is shipping about 150 tons of ore daily to the Noranda smelter and expects increasing shipments to about 300 tons daily within a month. Contract with Noranda runs for a year.

PAINTS·VARNISHES·ENAMELS
for every purpose!

Whatever your Painting requirements, you'll be most pleased if you use

STURGEONS
LIMITED
HIGHEST QUALITY PRODUCTS
Toronto 8 HA. 2133
Established since 1912

a bid from the KING...

Once the royal summons to the hunt was written on a precious roll of papyrus.

In today's bid for business, *Superfine Linen Record* is the preferred vehicle for important communications—business, professional, personal. This all-new-rag paper adds authority and prestige to the letterheads of many of Canada's leading corporations. You will sign your name proudly to this regal stationery.

ROLLAND RAG-PAPERS ARE BACK

You can again obtain prompt delivery on these rag-content papers:

SUPERFINE LINEN RECORD (All-Rag).

EARNSCLIFFE LINEN BOND (High Rag Content). From new rags and selected pulp. A quality paper for letterheads, insurance policies, etc.

COLONIAL BOND (Rag-Content). A distinguished, moderately priced letterhead paper.

Documents, too... The time-defying strength of Superfine Linen Record makes it the inevitable choice for deeds, insurance policies, drafts, contracts and legal forms—all documents which must endure.

Specify Superfine Linen Record next time you call in your printer, lithographer or engraver about letterhead and other top-level paper tasks. He recognizes this, Canada's finest bond, as a challenge to his craftsmanship.

Rolland Paper
COMPANY LIMITED
HIGH GRADE PAPER MAKERS SINCE 1882

HEAD OFFICE: MONTREAL, QUE.
BRANCH OFFICES: TORONTO, ONT. AND WINNIPEG, MAN. • MILLS AT: ST. JEROME, QUE. AND AT MONT ROLLAND, QUE.

Get RESULTS...
phone LONG DISTANCE!

Enterprising companies and businessmen throughout Canada make regular use of the Long Distance telephone. A Canadian transit company leases railway tank cars to anyone who may need them to ship liquids via rail. Long Distance calls are constantly placed to speed the movement of these cars across the Dominion—satisfying customers, increasing service!

Trans-Canada Telephone System, the association of the Telephone systems of Canada, provides the fast, efficient telephone service that gets *action* and *results.* Calls are crystal-clear, to anywhere, anytime and you can phone from Vancouver to Montreal for as low as $3.30. So for profits and prestige in *your* business, don't wait—call Long Distance!

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UNITED TO SERVE CANADA

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MANITOBA TELEPHONE SYSTEM • SASKATCHEWAN GOVERNMENT TELEPHONES • ALBERTA GOVERNMENT TELEPHONES • BRITISH COLUMBIA TELEPHONE COMPANY

The Financial Post

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—Photos by Malak.

From manufacturers of diapers for junior and junior miss (annual production around $2 millions) to stylists of evening gowns for milady, Canada's war-expanded textile industries today are entering an era of competitive challenge calling for intensive sales promotions, manufacturing economies, new stylings.

Consumption of rayon fabrics such as go into this evening gown is increasing at a faster rate than that of any of the other textiles. Canadian mills turned out four fifths of the 103 million yards of rayon used in Canadian clothing factories last year.

Textiles Ready for Challenge

Industry Sharpens Promotion To Sell Increasing Productions

By W. L. DACK

Officials in the selling end of the textile industry are just about convinced that the honeymoon is over as far as they are concerned.

First postwar promotional campaigns are ready for the market. Management, at the same time, is combing through production costs with a new gleam in its eye.

Not that the industry is faced with a sharp drop in demand — temporary import restrictions against U. S. fabrics and slowness of the U. K. to resume a strong competitive position has helped maintain domestic business at near peak levels. But from here on each company will have to work a lot harder to keep its proportion of the consumer's spending dollar.

Increasing competition among domestic firms and from foreign textile firms and also from an expanding range of consumer goods is the big challenge ahead.

How Balance Sheet Stands

Top planners read their industry's balance sheet like this:

On the credit side: an unparalled modernization program involving expenditure of some $122 million dollars between 1945 and 1948, improved technical "know-how," more composite mill operations, a generally strong financial position throughout the industry and temporary import restrictions against U. S. Cotton and rayon fabrics.

On the debit side: increasing consumer resistance to high prices, increasing availability of foreign goods and removal of tariff on cotton and rayon fabrics from England with equal reduction in tariffs to most favored nations.

Will further manufacturing economies, new styling and design and intensive sales promotion meet the competitive challenge? Will it provide an adequate answer to the over-expansion spectre which some experts think haunts the industry today?

Here is the expansion score: domestic woolen and worsted mills are producing as much cloth today as the entire Canadian market consumed prewar from both domestic and import sources combined. Total bale openings of raw cotton — barometer of activity in the industry — is up about 28% from 1938. Production of rayon broadwoven fabrics has approximately doubled from prewar.

While realistically attributing much of the tremendous impetus to demand for Canadian-made goods to abnormal war and postwar conditions, textile officials are nonetheless determined to hold their industry's gain. If it comes to a showdown with foreign competition we are in a much better position than prewar, they claim. Many mills are now equipped with the most modern textile machines obtainable. The industry is matching other countries in quality in all important lines. There are some indications that labor productivity is improving. Besides, the industry is better organized within itself to meet outside competition, they say.

Many Towns Have Factories

If low-wage-rate countries like Japan, however, were to repeat their selling tactics of the 20's and 30's or if socialistic England with textile wage rates almost 70% below ours were to subsidize her textile industry out of all proportion then difficulties would again appear in scores of Canadian textile towns. Today some 95,000 people scattered throughout 200 communities are engaged in the primary textile industry according to Dominion Bureau of Statistics, another 66,000 in the secondary end of it. Together they turn out goods with a gross value of over $888,658,943 (1946 DBS)—an increase of about 160% from prewar. Employment reached an all-time high this March being an increase of 15.2% from June, 1941, which represented wartime peak production in textiles.

Here's Cotton Picture

At the moment there is an excellent opportunity for Canadian cotton mills to obtain a greater share of the home market. Imports of cotton fabrics from the United States are on quota of 32% of last year. So far Britain has not been very successful in supplanting the U. S. as a source of supply. But in the light of the temporary nature of U. S. import restrictions, domestic manufacturers will not embark on large-scale expansion in productive facilities, the bulk of improvement work going for equipment modernization.

Best hope for expanded output lies in adding a second work shift to mill operations, cotton officials claim. While domestic output showed only a slight increase in the first quarter of 1948, further moderate gains are expected.

At the moment, the Canadian industry is underselling both the United Kingdom and United States in practically every cotton fabric line. The price differential is further accentuating the demand for Canadian-made goods in Canada. Also, goods are manufactured specifically for the home market and are generally available when required.

Belief is growing in many quarters that the top has been seen in raw cotton futures and that a decline in prices can be expected. Mills today are paying 30c a lb. for cotton that brought only 10c prewar. To maintain a share of the consumer dollar under normal conditions, cotton goods must be available to the public at price levels lower than those existing today, cotton men admit.

"There is an urgent demand for more plain cotton staple goods at reasonable prices," says E. G. Burton, President of The Robert Simpson Co. . . . "As might be expected, the removal of the cotton subsidy and sharp increases in cost which have resulted are having their effect on dampening down further increases in sales."

Our Cotton Production

The domestic primary cotton industry has never produced sufficient cotton fabrics, either by types or volume, to take care of home consumption. Production has varied between 72% of supply (1938) and just under 50% (1947). Productive capacity, however, could be substantially boosted without costly expenditures on plant expansion. In 1941 under the emergency of war, operations were at 161% of single shift capacity. This dropped to 126% in 1944, was off to 119% in 1946, has just come back slightly since then.

Under existing quota restrictions on U. S. supplies, Canada will likely import about 80 million yards of cotton fabrics from there this year. Meanwhile, the United Kingdom, which needs dollars as badly as Canada needs fabrics, is trying to boost its exports to us from eight million yards in 1947 to 80 million this year. Assuming domestic production equals last year's 265 million yards and that the U. K. will realize its target (highly doubtful), supply would be about 22% under last year.

Under these conditions it is likely that domestic mills will be able to find a market this year for all the goods they can produce and this situation may well exist into 1949. But in the meantime domestic cotton manufacturers have anxious eyes on the U. S. cotton manufacturing industry where plants have been geared up to a record civilian output this year of some 11 billion yards, representing an increase of over 13% from last year. This huge output—already matching supply—does not affect the Canadian industry at the moment but the long-term potentialities are something cotton men are none too happy about.

The chief long-term factor in the competitive picture is the trend in wage rates in the United Kingdom. Despite substantial increases paid textile workers in England, wage rates there are still far below those existing in this country and wages on the continent are again far below those paid in England.

Woolen and Worsted Picture

While still operating close to record peacetime level, woolen and worsted companies are moving more cautiously in the face of some slackening demand in coarse woolens, overcoatings and tweeds and increasing consumer resistance to high-priced worsteds. On all classes of goods, however, there is a demand for lower prices. At the same time Canadian mills are facing increasing competition from imports of wool textiles from Britain. Imports of British worsteds were at an all-time high during the first quarter of this year and woolens came in at the highest rate since 1930.

Manufacturers, in the face of sharpening competition, are all striving to reduce costs through use of modern machinery, more efficient operating methods and better merchandising. Many mills are becoming more composite — doing more of the complete manufacturing operation in their own mills. Some mills that formerly bought yarn have now installed their own spinning machines; others are adding, or planning to add their dyeing and finishing departments. There is increasing use of other textiles, particularly nylon with wool to produce a wider variety of cloths. Smoother, finer worsteds are being turned out in greater quantity than ever before.

While prices of most domestically produced woolens and worsteds are lower than those for corresponding lines produced in the United Kingdom, it is felt that in a pinch Britain could cut prices faster than here since our prices are for one market and more closely represents cost. While volume of U. K. woolen and worsted yarn and fabric exports to the world in the first quarter of 1948 represents 116% of the same 1938 quarter, value is about three times that of the 1938 period.

Women predominate in the textile industries' labor force, occupy many key positions. Here, Edith Munn, reportedly Canada's only woman dyer, checks new color combinations in the dye laboratory of the William Collie mills at Appleton, Ont.

The break in commodity prices in February brought a certain amount of weakness into the price structure with quotations on raw wool, and tops substantially below the postwar peaks. Because of this weakness all sections of the trade, mills, the wearing apparel industries and retailers, have shortened their forward commitments.

During the first four months of 1948, domestic production of woolen and worsted cloths amounted to 9.6 million linear yards — off 4% from the corresponding period of last year. In the some period imports (mainly U. K.) increased 30% over same period last year. Therefore imports have been increasing steadily since the end of 1945 while domestic production leveled off after 1946.

Rayon Use Still Growing

Consumption of rayon fabircs has been increasing at a faster rate than any of the other textiles. Part of the answer lies in greater availability of goods, particularly from the Canadian industry. Last year Canadians used some 103.7 million yards of woven and mixed rayon fabrics — up from previous year's 85.3 millions and representing a per capita use of 8.14 yards. Domestic production accounted for four-fifths of 1947 consumption.

Highlight of 1947 operations in the synthetics field was the manufacture for the first time in Canada of rayon and nylon staple fibres. Involved in this development are the three big names in the synthetic textile field—Canadian Industries Ltd., Canadian Celanese Corp. and Courtaulds (Canada) Ltd.

Production of staple fibres in both synthetics will offer Canadians a wider variety of textile goods incorporating many special features; it will cut our imports particularly in rayon staples almost to nothing. In 1947, for instance, Canada imported about 13 million lb. of rayon staple.

One of the big new fields now being entered by the new staple fibres is the men's and women's summer suit market. Canadian Celanese is now offering a wool-type cloth for men's summer suit trade. The made up suits are selling for about half the price of tropical worsteds and gabardines. Retailers reporting on first large-scale offering this summer say consumer acceptance has been "very good."

Nearly 200 factories are engaged in the production of woolen textiles in Canada. Gross annual value of their production is currently around $100 millions. More than half of this represented output of woolen and worsted cloths, production of which amounted to 9.6 million yards in the first four months of this year.

Nearly 50 of Canada's woolen textile factories are engaged in the production of basic yarn for woolen fabrics. Here the warp yarn is being wound from the warping drum onto a warp beam for placing in the looms which weave the cloth. Annual output of yarn from Canadian factories is valued at around $20 millions.

Wool production in Canada declined about 20% in 1947, compared with 1946, reflecting a similar decrease in the sheep population. Production totalled 14.1 million lb.—about three million lb. less than the prewar average, despite a gradual rise in farm prices. This production represented less than one sixth of domestic consumption.

CALDWELL

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A Complete Range of Bath
Towels, Tea Towels, Huck
Towels and Towelling.

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*Manufacturers of Esmond
Blankets and Bath-robe
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GRANBY, P.Q. and PERTH, ONT.

Executive and Sales Office:
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"Esmond—Soft and Warm as Rabbit Fur"

*Foremost suppliers of braided
and lace braided products*

Producers of Quality

- BRAIDS AND TRIMMINGS
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Creators of

Nufashond NOTIONS
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and

La-ce-lastic
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the exclusive lace waistband and legband
elastic for underwear.

NUFASHOND NARROW FABRIC COMPANY
OF CANADA LIMITED
St. Catharines, Ontario

Knitting Industry Looks to Good 1948, Watches Costs, Retail Prices Closely

Although displaying more caution in its yarn purchases due to slight declines in prices of some classes of raw materials and increasing consumer discrimination at retail level, the knitting industry is looking to a continued high level of operation for the remainder of the current year. Competition increased late in 1947 as supply of certain classes of underwear, outerwear and hosiery equalled trade needs.

Knitted goods production increased in 1947 due to a more plentiful supply of yarns, an improvement in the labor situation and lifting of numerous WPTB restrictions. When final figures on full-fashioned hosiery production are issued, they are expected to reveal an increase above 1946's total of 2.7 million dozen pairs. In 1947, exports increased to 292,792 dozen pairs in comparison with 200,000 dozen pairs the previous year. Apparent domestic consumption was slightly above the 1946 level.

The entire knitting industry experienced a shot in the arm from lifting of WPTB regulations and abolishment of production directives. For the first time in several years the industry was free to use its ingenuity and widen the range of types to attract broader consumer demand.

There was a sizeable increase in production of men's and boy's hosiery in 1947 but underwear mills using finer worsted yarns experienced difficulty in securing adequate supplies and output was not greatly above 1946. Heavy underwear producers had less difficulty in obtaining woolen yarns and operations were up somewhat over the previous year. Outerwear producers were also more successful in boosting production and varieties. With a better supply and selection of woolen and worsted and cotton, rayon and blend yarns, many new and different types of garments were offered during the year.

R. M. Ballantyne

R. M. Ballantyne Co. was incorporated Dec. 17, 1947 to acquire R. M. Ballantyne Ltd., manufacturers of, and dealers in, knitted goods of every description. Purchase price was $253,000 cash plus an amount equal to the liability of R. M. Ballantyne Ltd., for income tax for 1947, together with 10,000 common shares of the new company at a valuation of 15c a share. An offering of 6,000 5% cumulative redeemable preference shares, par $50, was made by Isard, Robertson & Co., London, Ont., at par with a bonus of one common share with each two preference shares. Authorized capital consists of $500,000, $300,000 issued preference stock, par $50 and 100,000 authorized, 50,000 issued n.p.v. common shares.

Net earnings available for preferred and common dividends, including estimated refundable EPT averaged $13,306 a year for the ten years ended Dec. 31, 1947. Deficits were shown in 1938 and 1939. Net earnings were $46,519 in 1947. Annual dividend requirements of the 6,000 preferred shares is $15,000.

Fixed assets were carried on the balance sheet at $140,344 at Dec. 31, 1947. Net working capital was $110,891, inventories $81,405.

Bates & Innes

Bates & Innes Ltd., manufactures woolen blankets, traveling rugs, tweeds, knitted outerwear, underwear and overcoatings and hand-knitting yarns. Plant consists of two complete manufacturing units, one being used for blankets and the other for knit goods and yarns, both situated on the Mississippi River at Carleton Place, Ont., and possessing their own waterpower plants which produce approximately 50% of the company's power requirements.

Despite the continuing shortage of labor, particularly for night work, operations were maintained at a high level, although considerable business had to be refused because of the company's inability to produce the full requirements of its customers.

Net profit for 1947 was $77,448 ($58,599 in 1946), equal to $5.08, before participation, on the Class A and $1.71, after participation, on the common ($3.84 and $1.30 respectively, in 1946).

Inventories were reduced to $177,656 as at Dec. 31, 1947, after deducting a reserve against possible price decline of $115,077. This represented a reduction during the year of approximately $192,500.

Prospects for the current year are obscure owing to the drastic increase in wool prices in New Zealand, it was stated in the annual report. Although orders for future delivery have been taken on the basis of prices prevailing at the date of delivery, there remains the danger of a slackening of demand if prices continue to advance, the report adds.

Butterfly Hosiery

Butterfly Hosiery Co. operates a factory at Drummondville, Que., for the manufacture of ladies' full-fashioned hosiery. A strike of company employees which began Feb. 16 was settled with the signing of a new one-year agreement, and work was resumed April 5.

The company uses about 80% of the plant's facilities on nylon styles; balance of production is confined to rayon and cotton products. Prewar production was based upon silk, but as supplies of that material were used up, facilities were diverted to rayon and thence to nylon.

Purchases of machinery and equipment included four high-speed 32-section, 51-gauge, knitting machines. Capital expenditures for the year totaled $145,330 which completed the machinery replacement program begun in 1946. However, in order to increase production still further, orders have been placed for an additional seven of the new knitting machines and auxiliary equipment for delivery in 1948 and 1949.

Net earnings for the fiscal year ended Jan. 3, 1948, were $411,444 ($249,072 in 1946) and net profit rose to $204,263 ($110,528), equal to $1.88 ($1.01) per common share. Value of inventories on hand rose to $289,993 as at Jan. 3, 1948, from $267,328 at Dec. 28, 1946.

Prospects for the current year indicate a good demand for company products in both domestic and foreign markets, although volume of export sales will depend largely on whether there is an easing or termination of the restrictive foreign government controls. Production continues to be sold on an allotment basis due to the high level of demand, President Charles Chipman stated in the annual report.

Can. Silk Prod.

Canadian Silk Products through a wholly owned subsidiary operates a plant at Sherbrooke, Que., for the manufacture of ladies' high-grade hosiery under trade names such as "Orient," "Rainbow," and "Aladdin."

In 1946 the company sold to the public 15,500 shares of class A npv stock. The transaction involved sale to the public of stock previously held privately and did not represent new financing for the company. Authorized capital of the company consists of 100,000 class A shares, npv all of which are issued and outstanding and 16,875 outstanding class B shares, npv. Dividends on the class A are at the rate of $1.50 per annum and have been paid regularly since 1940.

Net profit of the company for the year ended June 30, 1947, totaled $436,967. Earnings on the class A amounted to $4.37 per share and on the class B $17.01 per share. Working capital was shown at $1.2 millions and total assets $3.7 millions.

Celtic Knitting

Celtic Knitting Co., manufacturers of women's, children's and men's silk, silk-and-wool, and cashmere hosiery, is equipped to produce 2,400 dozen pairs of stockings weekly at its Montreal plant. A subsidiary, Nordic Hosiery Ltd., has manufactured women's full-fashioned hosiery since 1929 at its plant at Granby, Que. Operating profit in 1947 totaled $119,288 ($78,904 in 1946). Net profit increased to $53,679 ($30,094 in 1946), equal to $1.99 ($1.12) per common share.

New machines and equipment were purchased in 1947 at a cost of $56,257. These machines, designed to improve the quality and styling of the company's products, are expected to be in full operation during this year.

Capitalization consists of 27,000 common shares of no par value.

Value of inventories rose to $206,452 as at Dec. 31, 1947, an increase from $181,444 at the previous year end.

Circle Bar

The Circle Bar Knitting Co. manufactures circular-knit and full-fashioned hosiery for men, women and children from pure silk, nylon, wool, Bemberg, viscose and fine cotton.

Plants are operated at Owen Sound, Kincardine and Listowel, Ont. Plans were completed recently for enlarging the Owen Sound plant and adding new machinery this year. At the Listowel plant, which spins fine wool and worsted yarns for the knitting and weaving trades, an addition erected in 1945 added over 70% to the floor space of this division. Some machinery has been installed from the United States and England, and still more is being shipped from England. Wool refining machinery from France is expected to be delivered this year. Consideration is also being given to enlarging the capacity of the Listowel plant.

The company's products are sold largely through its own sales organization throughout Canada, and export business is carried on with South Africa, New Zealand, the West Indies, Iceland, Peru and Sweden.

Subdivision was carried out in 1947 of the outstanding 26,398 common shares into 26,398 new class A and 26,398 new common shares of no par value, with a similar subdivision of the 6,602 unissued common shares. Capitalization now consists of 33,000 $1 cumulative class A shares and 33,000 common shares, of which 26,398 shares are outstanding in each class.

Net profits for the year ended June 30, 1947, amounted to $167,180 ($94,653 including refundable tax portion in 1945-46). Earnings per share on the old common were $6.33 ($3.59 in 1945-46).

Directors do not contemplate dividends on the new common stock at the present time because of the extensive plans for enlarging and remodelling. During the past three years, the company has spent over $250,000 on new buildings and machinery, and an additional $100,000 of machinery has

(Continued on page 21)

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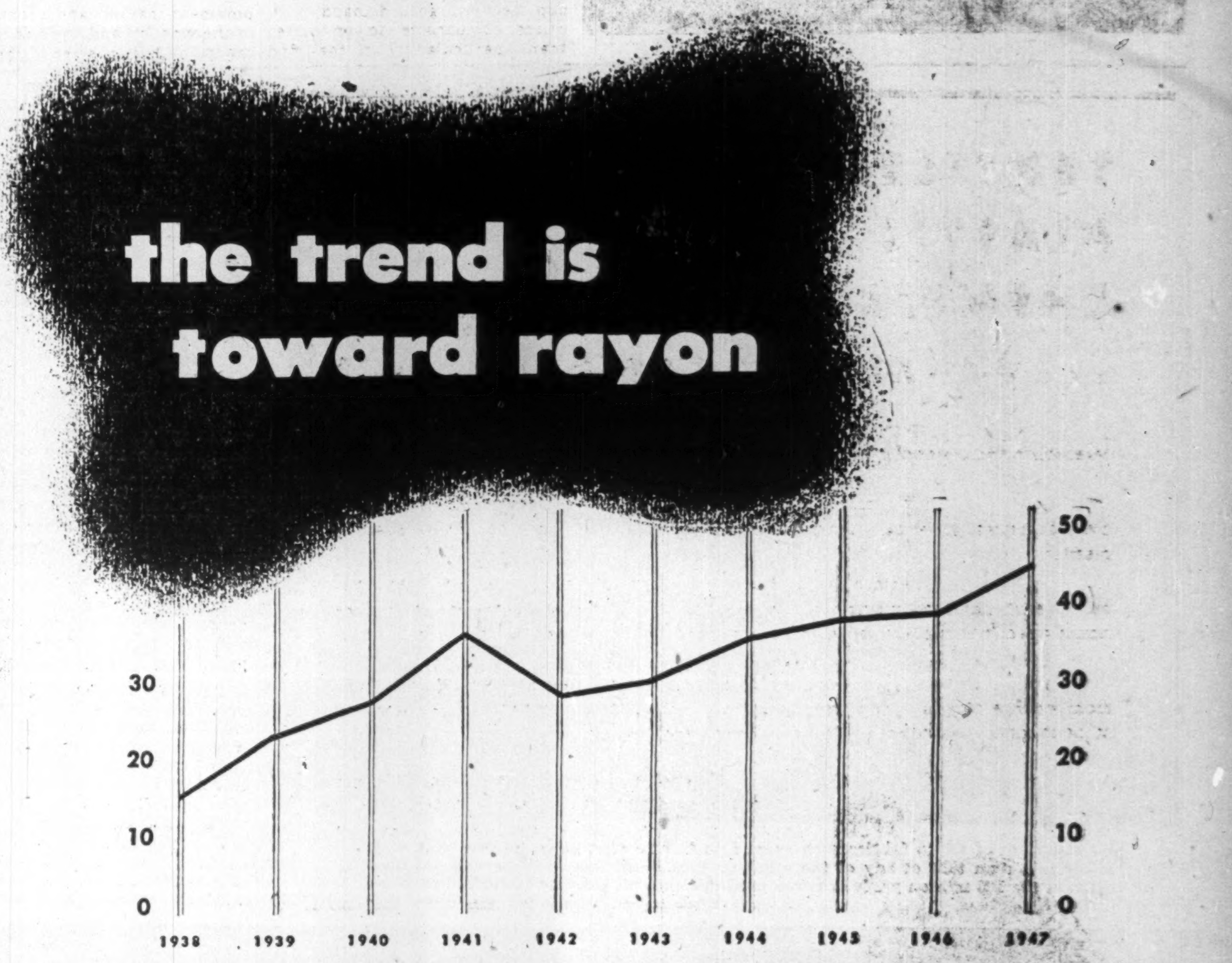

Rayon deliveries in millions of pounds.
Figures compiled by "Canadian Textile Journal".

DELIVERIES of rayon filament yarn and staple fibre in Canada were at an all time high in 1947. Total consumption last year exceeded 44,000,000 pounds compared with 15,461,000 pounds 10 years ago.

The steady increase in consumption of rayon yarn and staple fibre is a striking indication of the ever-widening use by the textile industry of this man-made fibre.

In looking back over this record of expansion, one can see why rayon has proved so popular. The fact is that the men of science who created rayon also had the skill to perfect it . . . and with each passing year its quality has been improved and its applications broadened.

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PRODUCERS OF RAYON YARN AND STAPLE FIBRE

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Imports, Plus Consumer Resistance Challenge Woolen, Worsted Industry

The Canadian woolen and worsted industry has expanded to the position where today it can supply the entire Canadian prewar demand for woolens and some four-fifths of prewar demand for worsted cloth. Increasing availability of foreign goods, plus stiffening consumer resistance at the retail level, however, is putting added stress on further plant efficiency and economies.

At no period in the history of the domestic textile industry, has the market consumed a greater quantity of civilian wool piece goods than in 1947. Canadian mill deliveries totaled 27,568,070 yards. Woolens accounted for 22,177,943 yards and worsteds 5,390,127 yards (21,759,812 yards and 5,182,206 yards respectively in 1946).

Production of woolen and worsted fabrics in Canada in the first four months of 1948, at 9,593,000 yards, was off 4% from the corresponding period of last year. Production rate, however, equals total prewar consumption in Canada of both Canadian-made and imported cloths. Supply of certain classes of wool textiles—tweeds, overcoatings and coarse woolens—exceeded demand in the first quarter of 1948. On the other hand, there was a brisk demand for yarn and piece dyed worsteds, although consumers were complaining about high prices. Imports of all classes of woolens and worsteds increased sharply in quarter.

In face of declining raw wool prices, the trade is hesitant about forward commitments, and some curtailment of woolen mill activity is expected later this year. Speaking about the future, B. K. Gunn, president, Canadian Woollen & Knit Goods Manufacturers Association says: "We shall have a market in which quality of product and novelty of styling in greater variety than has been possible for the past 10 years, will compete for the consumer's dollar. We can reasonably expect that the Canadian market for textiles will be larger than before the war but it may be less than it is today."

Can. Co-op Wool

Canadian Co-operative Wool Growers Ltd. is a marketing organization for Canadian wool growers. The company operates branches and warehouses at Weston and Carleton Place, Ont., Lennoxville, Que., and Regina, Sask.

Although the wool shipped to the company in 1947 for grading and sale direct from members and affiliated associations was 20% below the weight of a year ago, these shipments represented over 68% of a total commercial clip graded through all Canadian registered wool warehouses in 1947. Sheep numbers in Canada decreased by 8% from last year and are now less than at any previous time in the last 20 years. In 1947 Canadian graded wool clip sold amounted to 6,528,111 lb. as against 8,318,251 lb. in 1946 and 10,385,602 lb. in 1943. Present indications are that the turning point of the downward trend has been reached and enquiries are on the increase as to where new flocks might be acquired, the annual report states.

Falling-off in production and in sheep numbers in the United States appears to be about comparable to that of Canada, U.S. production of all wool being the smallest since 1925 and, for shorn wool, the smallest since 1924. Chief reason for the decline in the industry is perhaps that prices have been considered out of line with many other agricultural and livestock products.

Wool prices in recent sales in London and in New Zealand have been definitely lower than the previous recent highs, established in February. Nevertheless, there is a good deal of confidence in the world situation, the report states, since wool prices may be considered somewhat out of line with other commodities. The finer grades of wool especially are relatively in a strong position, the supply limited and the demand good. The limited domestic clip in the United States and the reductions in the wool tariff from 34c per clean pound to 25½c increase the possibility of marketing wool in that country.

Marketing of the 1947 clip returned to the usual trade channels after five years operating through Canadian Wool Board. The graded clip met with good demand, with prices comparable to or better than, particularly in the fine wools, during the control period. Re-establishment of Canadian wool with U. K. manufacturers is continuing. Expansion on the Continent, however, is not possible owing to currency and other restrictions.

Operating profit for the fiscal year ended Feb. 29, 1948, was $43,536 and net profit $25,048. Net profit was appropriated as follows: $6,242 for payment of interest at 5% on capital stock outstanding; $10,000 for rebate payable to wool shipping associations; $5,000 for employees' pension fund; $3,806 for general reserve.

Dom. Woollens

Dominion Woollens & Worsteds Ltd. conducts a fully integrated worsted cloth manufacturing operation, which comprises topmaking, combing, spinning, weaving, dyeing and finishing, and in addition, a woolen cloth manufacturing operation, a worsted spinning operation for machine-knitting yarns, and a worsted spinning operation for hand-knitting yarns. The hand-knitting yarns are the only part of the company's output which is produced ready for the consumer. Plants are located in Hespeler, Peterborough and Orillia, Ont.

Physical volume of production has been at or near capacity and profitable operations for the balance of the year appear assured, the annual report states. Net profit in 1947 was $267,584 ($101,149 in 1946), equal to $1.82 per share (69c in 1946). In order to reduce the stated values of inventories to price levels considered sound under present conditions, a special charge of $462,792, equal to $3.14 a share, was made in 1947. Further provision will have to be made against the eventual decline in prices to more reasonable levels, it was stated in the annual report, but forward commitments are being sparingly made, and only in such quantities as to ensure uninterrupted operations. At the end of 1947, inventories were valued, before reserve, at $2,902,625 ($2,664,017 at December 31, 1946). Expenditures on capital replacements amounted to $205,000 during the year.

Contributing in a large measure to the high level of production, has been the provision by the company of room and board for 350 female employees in three separate hostels, the annual report states. Through a subsidiary, Woodsdale Properties Ltd., the company has built or has in course of construction at Hespeler, 25 houses for married employees, who had served with the armed forces.

Net profits for the current year will be about double those of 1947, it was estimated recently by Gairdner & Co. The estimate was based on freedom from fixed ceiling prices and on advances in employment, payroll and production in the woollen and worsted industry in the first quarter of the current year, together with an estimate of a continued high level of demand in the domestic market. At the annual meeting, Henry Barrett, president, said: "With the provision we have made for inventory reserve, our capital improvements largely completed and a satisfactory outlook for future earnings in view, I personally feel that we can now adopt a more generous dividend policy."

Paton Mfg.

Paton Mfg. Co., one of the oldest woolen businesses in Canada, is equipped to process raw materials into finished products. The company dyes and finishes cloth and is a large manufacturer of woolen and worsted fabrics for men's suitings, top coatings, overcoatings and other finished fabrics. Control of the company is held by interests associated with Dominion Textile Co.

Despite a reduction in the physical volume of inventory on hand, dollar value of stocks and supplies on hand increased by $206,402 to $1,103,950, after reserve of $265,037, at the end of April, 1948. Increase in inventory value, plus expenditures on capital accounts, resulted in virtual elimination of the company's investment account, which had amounted to $408,411 at the end of April, 1947.

Current commitments on capital expenditure account amount to approximately $307,000. Delivery promises would indicate that this program will be completed well before the end of the current fiscal year.

Operating profit rose sharply in the fiscal year ended April 30, 1948, to $538,711 ($268,071 in 1947). Net profit was nearly double at $172,022 ($92,923), equal to $5.73 per share on the preferred, $2.60 on the common ($3.10 and $1.02 respectively, in 1947). Funded debt consists of $750,000 3½% sinking-fund bonds due 1966.

The company owns the woolen and worsted mill and complete carbonizing, dyeing and finishing plant at Sherbrooke, Que. Selling offices are maintained in Montreal and Toronto as well as an agency in Winnipeg.

Stanfield's

Stanfield's Ltd. operates a plant at Truro, N.S., for manufacture of high-grade woolen underwear and rayon underwear, sold under the trade names "Stanfield's Unshrinkable" and "Novasilk." Offices are maintained in Montreal, Winnipeg and Vancouver. The sale of underwear constitutes approximately 85% of the company's business, the balance being in socks and knitting yarns.

The original business was established in 1856 and in 1905 the company was incorporated under the name of Truro Knitting Mills Co., this name being changed in 1924 to Stanfield's Ltd. The company handled a record volume of business in 1947 with net profits totaling $248,691, against $128,959 for the 10 months ended Oct. 31, 1946. Earnings per share were $4.14 on the new Class A ($2.15 in 1946) and $2.13 (93c) on the Class B shares. Working capital also hit a high point, $2,031,263 at the end of 1947, against $1,749,270 at October 31, 1946. Inventories totaled $346,719 against $325,000.

Operations are continuing satisfactorily this year so far, with volume expected to be about in line with 1947, President Frank T. Stanfield recently told The Financial Post.

Warwick Woollen

Warwick Woollen Mills Co. was incorporated July 4, 1947, to acquire all the assets of Warwick Woollen Mills Ltd. The company specializes in manufacture of woolen fabrics for men's, women's and children's clothing. It also produces fabrics used in the pulp and paper industry.

A new issue of $500,000 first-mortgage bonds was sold in January to pay the cost of acquiring the predecessor company. The issue, offered at par and accrued interest, consisted of $75,000 3½% serial bonds due 1948-52, $210,000 4% serial bonds due 1952-66 and $215,000 4% bonds due 1967.

According to the prospectus, net earnings of the company before depreciation and taxes averaged $138,900 for 1942 to 1946, equivalent to more than seven times new bond interest requirements. Balance sheet of the company as at Aug. 31, 1947, showed total current assets of $753,408 and current liabilities of $498,433. Inventories totaled $453,442.

Wool Combing Corp.

Wool Combing Corp. of Canada Ltd. program for increasing productive capacity is expected to be completed by the end of this year with the installation of equipment for the new French combing department. The company operates on a commission basis, a wool scouring and combing plant to process raw wool into worsted tops for the production of worsted yarn at Acton, Ont. It is also engaged in the production of neutral wool grease used in the manufacture of high-grade rust preventives, cylinder oils, pharmaceutical products, cosmetics and other products. Wool grease is also known under the name "Technical Lanolin."

Operations in 1947 were adversely affected by inflationary tendencies. Due to the fact that in the company's business, conversion facilities are contracted for some months in advance, an increase in tariff for the company's services could not be effected to offset the rapidly increasing cost in 1947. As a result, gross revenue from services, while at a high level, was not sufficient to fully offset increasing costs.

Net earnings totaled $153,184 ($192,672 in 1946), and net profit $83,762 ($106,817). Earnings per share amounted to $1.68 ($2.14).

Demand for the company's services continues at a high level, and increased rates have been put into effect this year.

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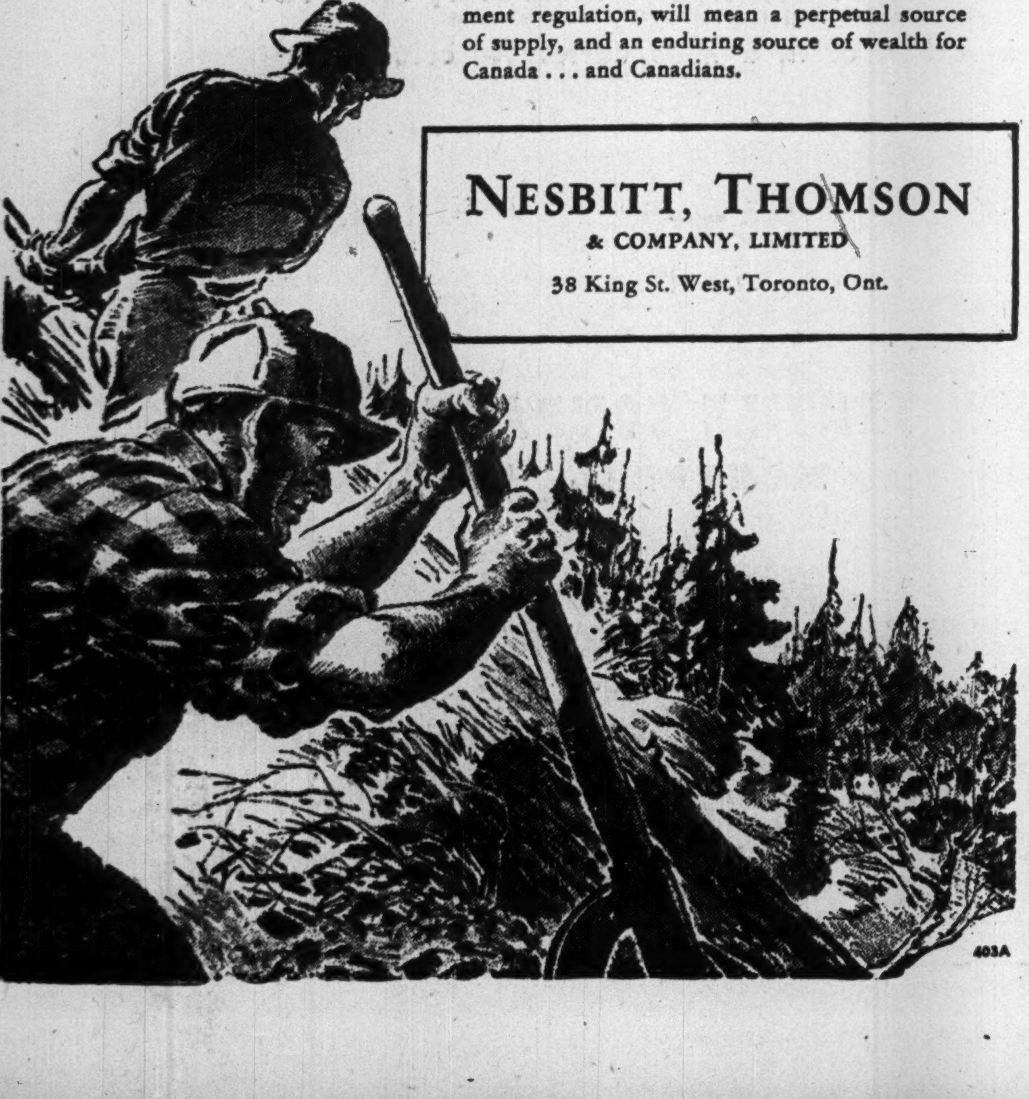

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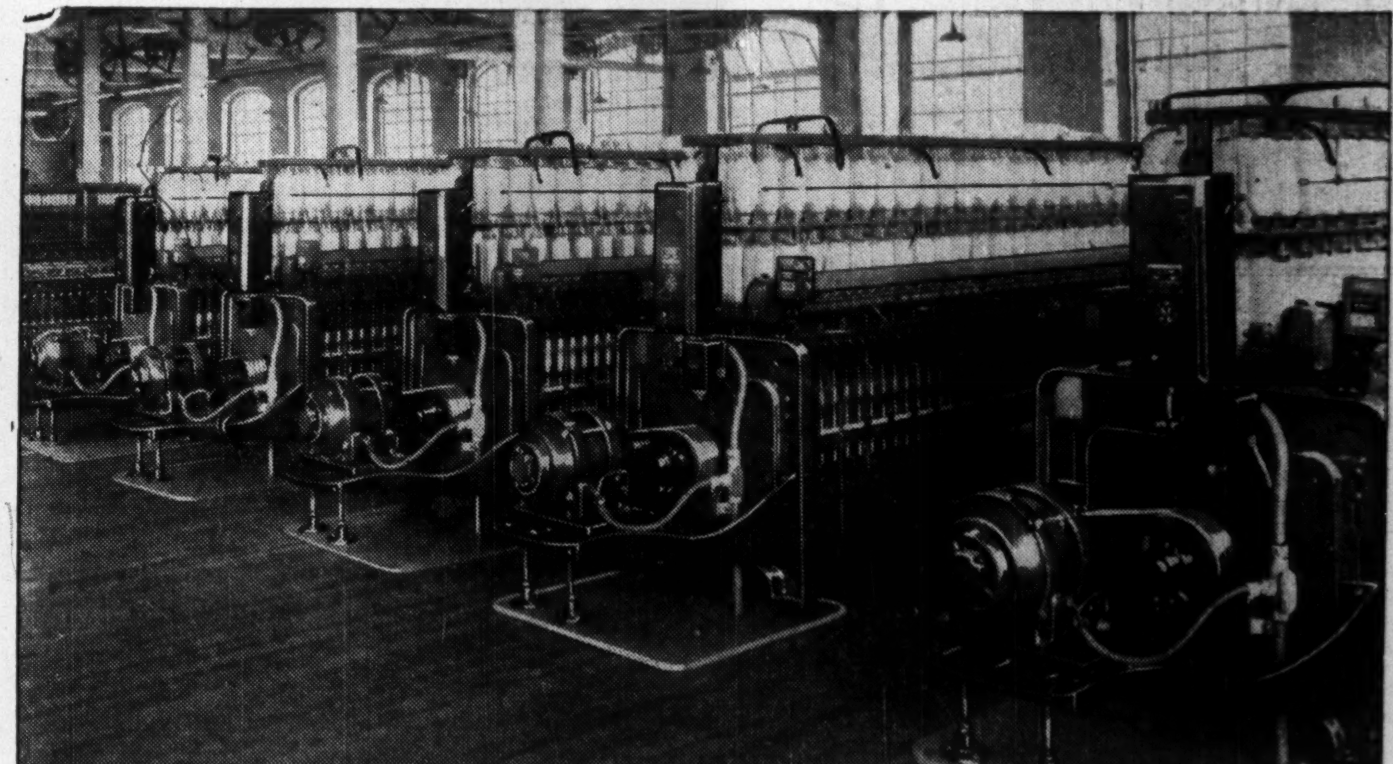

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MONTREAL TORONTO WINNIPEG

Door Open for Domestic Producers As U. S. Cotton Imports Restricted

Domestic production of cotton yarn and cloth during the first four months of 1948 was up slightly from the corresponding period last year. Mills are expected to increase shipments further, however, as a result of expanding facilities and the sharp curtailment in supply from the United States following the import quota reduction to about 35% of quantity available last year.

With reduced U.S. supplies and some doubt existing as to the ability of British mills to supply larger quantities of goods there is an excellent opportunity for domestic mills to obtain a greater share of the home market. Many users are anxious to obtain more Canadian goods since they generally cost less that those from other countries. Under these conditions it is anticipated that domestic mills will be able to find a market for all their goods this year and a good part of next.

Supply of cotton piece goods in 1947 was about 25% above 1946. Canadian mill deliveries, accounting for about half the total, were about the same as for the previous year. Estimated domestic mill shipments of piece goods in 1947 is around 240 million yards. Canadians used some 42.2 yards of cotton fabric per capita in 1947 as compared with 34.4 yards in the previous year. Imports—touching a new high level—accounted for a little more than half this supply. Total cotton spun in 1947 amounted to 168 million lb. compared with 160 million in 1946. An increase of 5% in employment helped materially in production boost.

Although the import restrictions placed on U.S. cotton goods have improved the outlook substantially for the Canadian industry, higher retail prices for cotton made-up goods arising from sharply increased costs of raw materials and labor are meeting with some consumer sales resistance. For instance, raw cotton is selling for around 30c a lb. in the bale as compared with 10c prewar. This price appears to be higher than is healthy from the standpoint of volume consumption of cotton goods and their derivatives, G. B. Gordon, President of Dominion Textiles states.

Plant developments have been greatly expanded during the past year as deliveries of machinery, equipment and materials became available. At least four new mills were brought into operation during the year and important development programs were begun or continued in almost every major Canadian cotton plant.

Canadian Cottons

Canadian Cottons, Ltd., manufactures cotton piece goods, including denims, suitings, tickings, shirtings, ginghams, dress goods, flannelettes, eiderdowns, sheetings, blankets, etc., hosiery and warp yarns, twines and artificial silk fabrics. The company has the exclusive spinning rights in Canada for Vistra fibre and Sase yarns.

The company owns and operates six mills: Ontario Mill at Hamilton; Stormont, Dundas and Canada mills at Cornwall; St. Croix mill at Milltown, N.B.; Gibson mill at Marysville, N.B. Also owns waterpowers at Milltown and Cornwall and operates an auxiliary steam electric plant at Milltown. Through a subsidiary, the company also operate two mills at Saint John, N.B.

Since the removal of controls in September of last year, the company's production has steadily increased. For the first three months of 1948, the company's bale openings were within only 80 bales of its corresponding openings figure in 1942, the all-time high.

Increase in costs since 1939 is illustrated by the fact that, for the year ended March 31, 1948, raw cotton costs were up 363%, wage costs 240%, and all other charges 161%. Over the same period selling prices had risen 252%.

Additions to plant and equipment for the year amounted to $1,851,007. The postwar program is nearly complete, although it is expected that regular capital expenditures will cost approximately $500,000 annually.

Net profit for the fiscal year ended March 31, 1948, amounted to $886,479 ($790,414 for 1946-47), equal to $5.36 per preferred and $4.97 per common share ($4.78 and $4.27 in 1946-47).

Value of inventories increased during the year to $5,101,988 at March 31, 1948, from $4,671,541 a year ago.

Cosmos Imperial

Cosmos Imperial Mills Ltd. produces heavier grades of cotton duck, for vessel sails, mechanical belting and hose, railway car roofing, binder canvasses, tarpaulins, tents, awnings, filters, and cotton drier felts used on paper making machines. The company's plant are at Hamilton, Ont., and Yarmouth, N.S. Combined equipment consists of approximately 27,028 spindles and 218 looms.

Manufacturing operations for the year 1947 showed a moderate increase above the previous year due primarily to improved power canditions at the Cosmos Division. Present outlook indicates a continued and satisfactory demand for the company's product in the immediate future, it is stated in the annual report.

Operating profit, after debenture interest, was $518,657 for 1947 ($428,087 for 1946). Net profit was $199,802 ($172,078) equivalent to $2 per common share in 1947 ($1.72 in 1946).

Plans for plant expansion and modernization have been delayed by the difficulty of getting required equipment. It is now anticipated that the program will be substantially completed during 1948.

Inventories were valued at $859,809 at Dec. 31, 1947, an increase from $623,629 at the previous year end.

Dominion Fabrics

Dominion Fabrics Ltd. is engaged in the manufacture of towels, face cloths, bedspreads, tapestries and draperies. The company operates plant at Dunnville and Welland, Ont. The Welland plant is leased from Dominion Yarns Ltd., a wholly owned subsidiary, for spinning of yarn for the company's products. Combined operations comprise complete process from raw cottons to finished products, including spinning, winding, weaving, dyeing, bleaching and finishing.

Obsolescence and normal wear and tear have necessitated plans for substantial outlays for machinery and equipment as soon as they become available. During 1948 the company hopes to get delivery of some of the machinery and equipment now on order; in the meantime its maintenance costs are abnormally high, it was stated in the annual report. Net operating profit for 1947 increased to $297,907 ($262,708 in 1946). Net profit was $141,292 ($135,367), equivalent to $15.70 on the first preference, $5.71 per share on the second and $1.20 per share on the common ($15.04, $5.42 and $1.12, respectively, in 1946).

The company was unable to meet demand for its products during 1947 and experienced very little relief from the acute labor shortage.

Outstanding capital at Dec. 31, 1947, consisted of $450,000, $50 par 6% first preference, 20,000 $1.50 NPV second preference, and 70,000 NPV common shares.

Value of inventories rose to $398,887 as at Dec. 31, 1947, from $373,385 at the end of 1946.

Dom. Textile Co.

Dominion Textile Co. Ltd. operates nine plants, five in Montreal and suburbs, two at Magog, one at Montmorency Falls and one at Sherbrooke, all in Quebec. Total acreage of these plants is approximately 80 acres, containing about 9,300 looms and 463,000 spindles. The company has power development at Magog and Montmorency Falls to supply its mills at these points. Company's products include a wide range of cotton yarns and cotton fabrics. In addition, the company is engaged in bleaching, printing and dyeing of yarns and manufactured goods at the Magog Print Works, where all such operations are now concentrated.

A subsidiary, Drummondville Cotton Co., manufactures tire cord, chafer fabrics, heavy ducks, Seine twines, fishnets, cotton ropes, and seaming twines at Drummondville, Que. An associated company, Dominion Burlington Mills Ltd., produces rayon dress goods, lingerie, etc.

The company increased its interest in The Montreal Cottons Ltd. earlier this year through an offer to shareholders of that company to exchange Dominion Textile common for Montreal Cottons common on a share-for-share basis. Previously Dominion Textile common shares had been subdivided on a nine-for-one basis in December, 1947. At June 18, 1948, when Montreal Cottons common shares were delisted from the Montreal Stock Exchange, only 4,009 shares were outstanding in the hands of others than Dominion Textile Co.

Net profit for the year ended Mar. 31, 1948, was up 63.9% from previous year. This included $680,396 revenue from investments. Dividends are being paid at the rate of 60c a share per annum, and an extra of 15c per share was paid April 1, the first extra to be paid on the new stock. Dividends on Montreal Cottons common have been at the rate of 50c a share per annum.

A two-story extension with 114,000 sq. ft. of floor space has been added to the Magog Cotton Mill. When fully equipped, the cotton mill unit at Magog will provide, on an economical basis, a substantial portion of the grey cloth yardage required by the Magog Print Works. Expenditures of $2,932,058 were made during the year for buildings machinery and equipment. The large expenditure, exceeding depreciation provided by $1,603,747, was principal reason for a $808,375 deccrease in working capital. Outstanding commitments for capital expenditures at fiscal year end amounted to $5,469,894.

Hamilton Cotton

The Hamilton Cotton Co. Ltd., spins, weaves and manufactures a diversity of products including elastic webbing, webbings for straps; yarn and twine; cordage cotton products such as clothes lines, sash cords; and cotton cloths, such as drills, osnaburg, etc.

The company spins all its own yarn and has a surplus of 55% which is sold. It also does all its own dyeing and bleaching in addition to some custom work.

Products are distributed throughout Canada to various selling agents and also to British West Indies and New Zealand. Plants are operated at Hamilton and Dundas, Ont., and through a subsidiary, Trent Cotton Co. at Trenton, Ont. Completion of the company's program of machinery replacement is expected this year. Due to the world-wide shortage of all types of textile machinery, the company was able to realize a profit of $67,137 from the sale of older equipment in 1947.

Operating profit for 1947 was $468,734 ($350,249 in 1946), and net profit was higher at $133,456

(Continued on page 22)

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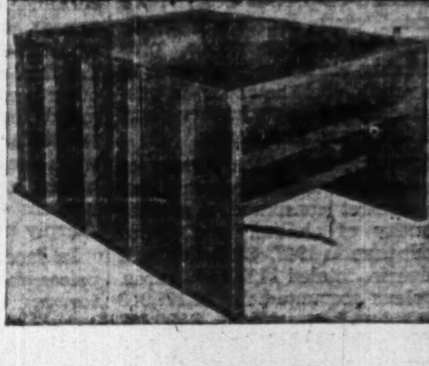

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MONTREAL

MAKERS OF Tex-made T.M. REG'D. PRODUCTS

SALES OFFICES: MONTREAL • TORONTO • WINNIPEG • EDMONTON • VANCOUVER

Knitting Industry Looks to Good 1948, Watches Costs, Retail Prices Closely

(Continued from page 18)

been ordered. An initial semi-annual dividend of 50c per share on new class A stock was paid April 15, 1948.

Value of inventories was higher at the end of June, 1947, amounting to $219,719 ($197,858 at June 30, 1946).

Grand'Mere Knit.

Grand'Mère, Knitting Co., located at Grand'Mère, Que., was incorporated in 1933 originally to manufacture Basque berets. Subsequently other products were added, such as knitted gloves, scarves, socks, sweaters, etc. In order to meet increased demand, a new mill was started in 1946. It has a floor space of 57,000 sq. ft. and started operating in February, 1948. It will employ 400 workers. Earlier this year the company stated that it had unfilled orders on hand equivalent to 25% of yearly production capacity; and it was expected 1948 sales would reach $2 millions.

In February of this year the company sold $250,000 of 5% cumulative redeemable class A preferred shares, $25 par value, which were offered to the public. Proceeds from this issue were used to pay for the new machinery and to increase working capital.

Yearly average consolidated net earnings for the five years ended in 1946 were $34,960 or $3.50 a share. It was stated that earnings for 1947 showed a reduction due to construction work in progress and delay in obtaining delivery of new machinery. It was claimed that the margin of profit in 1947 would have been sufficient to provide the amount required for payment of the preferred dividend. Earnings for 1947 were not included in the prospectus offering the preferred shares.

Capitalization consists of an authorized 12,000 5% class A preferred shares, 2,000 class B 5% preferred shares and 8,000 class A common shares par $5. Of this there are 10,000 class A issued, 2,000 class B and 6,200 class A common. Working capital of company as at Nov. 30, 1947, after giving effect to the new stock issue was $324,727.

Mercury Mills

Mercury Mills Ltd. operates two plants, one in Hamilton and the other in Listowel, Ont. The Hamilton plant manufactures a wide range of men's, women's, and children's hosiery and underwear, as well as French dry-spun worsted yarns. The Listowel division manufactures hand-knitting and commercial yarns for use by the company itself and for sale as a separate product. Full-fashioned nylon hosiery is also manufactured.

With the exception of commercial yarns, the company's entire output is marketed through its own sales organization with offices at Toronto, Montreal, Ottawa, St. John, Winnipeg, Calgary, and Vancouver.

The company is continuing a program of modernization of plant and equipment, having spent over $400,000 for this purpose over the past three years. Contracts have been approved for the delivery and installation of additional such assets amounting to $230,000.

To offset the large capital expenditures and the increase in accounts receivable and inventories, a new issue of 4% first-mortgage bonds was sold in March, consisting of $750,000 4% serial bonds maturing $75,000 annually April 1, 1949 to 1958 inclusive (sold privately), and $500,000 4% sinking-fund bonds due April 1, 1963 (sold publicly at 100 and accrued interest).

Previously outstanding $200,000 3½% sale bonds and $400,000 4% sinking-fund bonds were redeemed April 15, 1948, at 101 and 103, respectively.

Net profits for 1947 were $362,982 ($266,785 in 1946) equal to $3.84 ($2.82) per common share. Inventories were valued approximately 25% higher at $1,911,572 as of Dec. 31, 1947, due to increased cost of material and labor and increased quantities required to insure continuous production on an expanding scale and to compensate for the continued failure of suppliers to make deliveries on schedule. A further $50,000 was set aside to reserve against the possible drop in prices of raw material, in view of the wide fluctuation in the prices of cotton yarns and wool tops.

The company expects to show a considerable increase in production during the current year, though shortages of raw materials and labor are limiting factors. Demand is expected to exceed supply for a good part of the year.

London Hosiery Mills

London Hosiery Mills Ltd. manufactures lisle, wool, rayon and cotton hosiery, nylon and pure thread silk hose at London, Ont. In addition it maintains a dye plant which handles all of the company's own dyeings and a customs dyeing business for other large manufacturing companies.

Public participation in this company was initiated in Aug., 1947 with the offering of 45,000 80c cumulative preferential convertible n.p.v. Class A shares: stock was offered at $15.50 a share with a bonus of 1 common share with each five Class A shares. Capitalization consists of 45,000 authorized and issued n.p.v. Class A shares and 125,000 authorized, 80,000 issued, n.p.v. common shares.

Earnings for the 10 years ended March 31, 1947, including refundable EPT in 1943 to 1946, averaged $83,598, equivalent to 2.3 times the $36,000 annual dividend requirement on the Class A shares. Net profit for the fiscal year ended Mar. 31, 1948 was $96,458 ($80,930 the year before) and current earnings are reported slightly above those of the same period last year.

The balance sheet at Mar., 31 1948, showed net current assets of $631,816, refundable EPT of $20,540, fixed assets valued at $108,644 (after $292,705 depreciation reserve),and $36,000 (2,400 Class B shares) investment in Riverside Silk Mills. The company owns and operates a three-story factory in London, Ont., and a sales office in Toronto. Its products are sold throughout Canada.

J. R. Moodie

J. R. Moodie Co. manufactures knitted underwear and cotton yarns at Hamilton, Ont. Indicated capacity is 300 knitting machines and 400 sewing machines and operations also include a spinning mill turning out high grade hosiery yarns.

Authorized and outstanding capital stock is 30,000 no-par-value common shares. Funded debt of $292,000 6% first mortgage sinking fund bonds, series A, was retired at maturity July 1, 1948. Financial statements are not made available for publication.

Monarch Knitting

Monarch Knitting Co. manufactures heavy and fancy underwear, outerwear, knitted goods, hosiery, piece goods, and a complete range of staple and novelty yarns for hand knitting.

Operations are carried on in four major divisions as follows: Dunnville Division with plant at Dunnville and a hosiery mill at St. Catharines, for outerwear, hand-knitting yarns, ladies' and men's hosiery; Joseph Simpson Division, Toronto, cotton yarns, cotton cloth, and underwear; Worsted Spinning Division, St. Thomas, Ont., worsted yarns; Woollen Spinning Division, Toronto, woolen yarns.

Controlling interest in Monarch Knitting was acquired in 1945 by the Wellington Spinning Corp., a privately owned company, which was recently wound up and therefore no longer holds control. The entire plant and production facilities were studied and organized on a well-defined, co-ordinated and nonoverlapping production basis. Expenditures on the modernization of the company's plant cost $270,000 and $596,000 in 1946 and 1947, respectively. Cost of equipment now on order and still to be delivered to the company amounts to some $235,000. The largest divisional expenditure has been made at the Woollen Spinning Division, Toronto, which has been re-equipped with the most modern machinery for the production of woolen yarns.

Net profits for 1947 were $324,981 ($311,354 in 1946), equal to $65 per share on the 5,000 4½% preference shares and $2.97 on the common (after deducting full year's dividend requirements on the 4½% preference stock). Earnings for 1946 were $103.78 on the 3,000 shares of 5% preference stock and $2.91 per share on the common.

Value of inventories showed a sharp rise to $1,345,723 as of Dec. 31, 1947, from $890,685 at the end of the previous year.

First-quarter operations for 1948 were fairly satisfactory and earnings were in line with those of the past year, K. L. Markon, vice-president and general manager, reported at the annual meeting. The demand for the company's products indicates that earnings will probably be comparable with those of 1947, he added.

National Hosiery

National Hosiery Mills Ltd. manufactures a complete line of full-fashioned hosiery at Richmond, Que., and Hamilton, Ont. Completion of a program of mill expansion initiated two years ago is now in sight, it was stated in the annual report. Space in the Hamilton plant has been increased considerably, and additional space is being provided in anticipation of new knitting equipment to be delivered. During the coming year, total production capacity is to be increased about 25%. Operations are on a 24-hour basis at both plants.

Net earnings were down slightly in 1947 to $698,197 ($707,061 in 1946), but net profit rose to $324,126 ($276,723). Earnings per share amounted to $3.95 on the Class "A" and $6.71 on the common, against $3.38 and $5.55,

(Continued on page 23)

TRADE MARK "WABASSO" REGISTERED

Serving Canada's Households

Trusted and familiar wherever cottons are used, the white rabbit trade mark of Wabasso represents more than just a product.

It stands for a great organization of 2,400 skilled workers, for an industry that has marched steadily forward for over 30 years, for an adherence to quality workmanship before all other considerations.

Wabasso's white rabbit trade mark is the symbol of one of Canada's outstanding enterprises.

Manufacturers of

Sheets Sheetings Printed Cottons
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The WABASSO COTTON COMPANY, LIMITED
THREE RIVERS, QUE.

Waterous display at Canadian International Trade Fair

There's MUCH MORE than meets the eye!

Our display was like a small sample case — there being so much we couldn't show for lack of space. Our samples included a Waterous bandmill, portable circular sawmill, edger, and boiler. Components, a model and photographs were shown to merely indicate what we manufacture in the way of Roads Machinery and Pulp Mill Machinery. There were also some interesting applications of Gaco Protective Coatings.

The purpose of this advertisement is to inform you that our facilities are large, our experience broad and our designing, engineering and manufacturing capacity very much greater than most people realize. We hope you will let our organization serve you.

Gaco
- NEOPRENE
- NITROCOTE
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To save your equipment from destruction by corrosion — these seamless, smooth coatings provide low-cost corrosion resistance.

Gaco NEOPRENE for almost all acids, alkalies and many solvents. Temperature range from —58° to +250° F. Adhesion on steel 1100 p.s.i. Tensile strength 1500 p.s.i.

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138,000 POUNDS OF STEAM PER HOUR FROM THREE SMALL BOILERS

That is the performance of these boilers in one moderate-sized mill. That is a record not equalled by any other make of boiler of the same size. These small boilers often prove themselves to be the most efficient units in many types of service. Can they serve your requirements to advantage?

Consider These Points of their Superiority:

- Much greater steam output in the same cubic feet of space occupied, with higher efficiency than brick-set boilers permit.
- Existing buildings can be utilized without extensive alterations.
- Foundations are simple — No basement is necessary — The unit is completely bottom-supported — Loadings are low.
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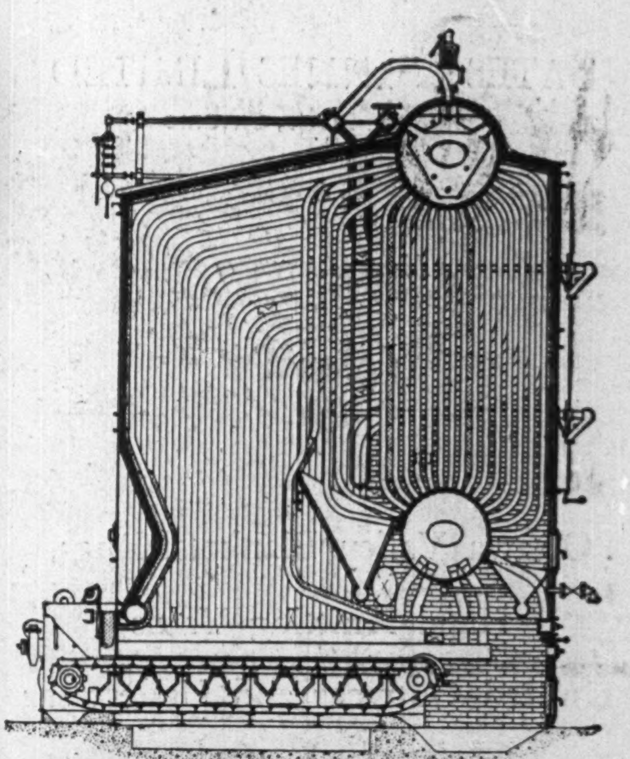
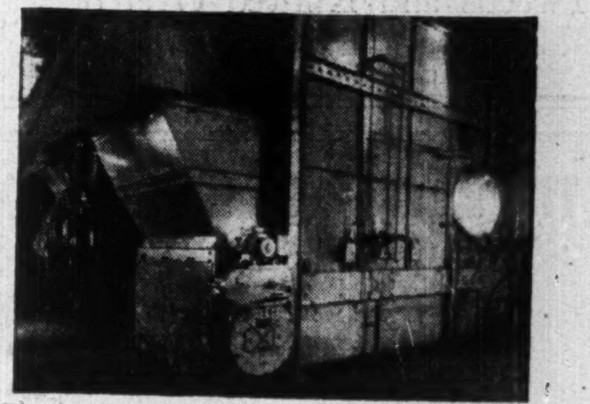
- High sustained efficiency is obtained without economizers or air heaters — low excess air is obtained with any fuel.
- All parts readily accessible for cleaning. The furnace is easily inspected during operation.

Convenient ash removal at firing-floor level.





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BABCOCK "INTEGRAL-FURNACE" BOILERS

Carrier Air Conditioning for the Textile Industry, a new publication, explains how

control of humidity and temperature can increase the quantity and quality of your product

Its authoritative, non-technical text is supplemented by over 60 illustrations, diagrams and charts. Mill owners and executives are invited to write to us for a copy.

Carrier Engineering Ltd., 172 King Street East, Toronto 2.

Carrier

Door Open For Domestic Producers As U. S. Cotton Imports Restricted

(Continued from page 20)

($113,850). Earnings per share on the common were $1.67 compared with $1.42 a year before.

In spite of the delays and the inevitable dislocation due to the changing of equipment, production gradually increased during 1947 and is continuing to increase in the current year. The continued demand for all the company's products so far shows no signs of a recession, it is stated in the annual report. Inventories rose sharply in 1947 to $1,541,667 at Dec. 31, from $818,064 at the end of 1946.

Montreal Cottons

Montreal Cottons Ltd., through its wholly owned subsidiary, the Montreal Cottons Co., manufactures plain cotton textiles and fancy goods, fine cottons and linings, artificial silks, spun rayons and cotton dress goods, shirtings, upholstery goods and draperies. Its mills also bleach, dye and finish these fabrics. The complete cycle of manufacturing operations, from raw cotton to finished cloth, is carried on. Controlling interest is held by the Dominion Textile Co. (see above), which owned all but 4,009 shares of the 330,000 shares outstanding at June 16 following a share-for-share exchange offer earlier this year.

Mill production in 1947 increased 4.83% in yardage and 5.2% in poundage over 1945; and deliveries of yarn to hosiery and electrical trade and other consumers increased 17.51%. Production results for 1947 cannot be usefully compared with those of 1946, as output was severely curtailed by the closing down of the mills due to a strike from June 3 to Sept. 9, 1946.

Removal of price ceilings on finished goods and subsidies has made possible since Oct. 31, the taking of orders at prices based on the prevailing value of raw cotton. Manufacturing profit before subsidies and depreciation amounted to $857,215 in 1947, as compared with a manufacturing loss of $129,402 in the previous year. After applying sales subsidy earned ($256,383 in 1947; $1,145,479 in 1946), total net income was $1,079,420 in 1947 against $1,034,643 in 1946.

Net profit in 1947 was $434,420 ($433,575 in 1946), equal to $3.62 on the preferred and 68c on the common ($3.61 and 68c respectively in 1946). Inventories were lower at the end of 1947, at $1,212,664 ($1,551,257 at Dec. 31, 1946).

Demand is running ahead of available supply, despite increased prices resulting from the termination of subsidies, the company states. Increasing competition is expected from Lancashire mills this year, but although textile imports from Britain will probably increase, total imports for the year will probably be less, due to restrictions on shipments from the United States. Present English prices are high and seem to bear little relation to the cost of production, W. G. E. Aird, vice-president and managing director, pointed out at the annual meeting.

A large-scale modernization program is being undertaken, and new equipment will begin to arrive soon.

Robinson Cotton

Robinson Cotton Mills is engaged in processing of cotton piece goods, and in wholesale merchandising of cottons. Processing operations include bleaching, dyeing, napping and shrinking (Sanforizing) on its own account and for others. Finished materials are sold to garment makers, furniture makers, automobile manufacturers, the wholesale dry goods trade, department and chain stores and to others. A large proportion of the "grey goods" which the company processes, is imported.

A $1 million addition to the company's plant at Woodbridge, Ont., has recently come into partial operation. The company is anxious to have the plant working at full capacity in order to cope with the brisk demand for its products. Operations this year have been quite satisfactory thus far, the company states.

Operating profit for the year ended Dec. 18, 1947, was $565,959 ($444,795 the year before), and net profit was $287,271 ($226,143). Earnings per share were $1.92 in 1947 and $1.51 in 1946. Inventories increased substantially to $1,895,065 as at Dec. 18, 1947, from $1,198,684 at the previous year end.

Weekly capacity of the plant at Woodbridge, Ont., where the company owns 115 acres, is over 1.2 million yds. of converted cotton goods. The new addition is to be devoted to spinning and weaving and has a total floor space of 124,000 sq. ft. The company has its head office and a warehouse in Toronto.

Wabasso Cotton

Wabasso Cotton Co. manufactures cotton yarns, fine cotton goods, including colored and white fabrics, lawns, muslins, cambrics, shirtings, artificial silk products. The company and its subsidiaries operate four mills with a total capacity of 1,765 looms and 107,324 spindles. Power is purchased from Shawinigan Water & Power Co.

The mills of the Wabasso Co. and of St. Maurice Valley Cotton Mills are at Three Rivers and those of Shawinigan Cotton Co. are at Shawinigan Falls and Three Rivers.

Gross earnings for the year ended May 3, 1947, increased slightly to $1,296,551 from $1,285,683 in the previous fiscal year. Both figures include subsidy from Commodity Prices Stabilization Corp.

Net profit in 1946-47 amounted to $357,728 and earnings per share were $5.12 compared with $4.88 excluding and $5.15 including refundable EPT in 1945-46. Inventories rose sharply to $1,383,351 at May 3, 1947 ($362,407 at Apr. 27, 1946).

Capitalization of the company consists of $4.4 millions of first mortgage bonds of which $1 million series A 4½% are issued and outstanding. Authorized common stock is 105,000 shares npv of which 69,903 are outstanding. Current rumors in investment circles indicate that the question of a common stock split may be under consideration. Present dividend rate on the common stock is $4 per share which has been paid regularly since April 1, 1942.

Textron Inc.

Textron Inc. has purchased all assets of Esmond Mills Inc., parent company of Esmond Mills Ltd., the Canadian company, and its subsidiary Esmond Mills (Ont.). Purchase price was 139,508 shares of Textron Inc. $1.25 convertible preferred shares.

Textron assumes all Esmond liabilities and acquires control of all common stock of the Esmond subsidiaries including Esmond Mills (Ontario).

Esmond and its subsidiaries manufacture the Esmond line of blankets, bathrobe material of cotton and part wool, and napped fabrics. It has mills at Esmond, R.I.; Waynesboro, Va.; Dover, N.H.; Granby, Que., and Perth, Ont. The plants operate a total of about 650 blanket looms and employ about 1,500 persons.

Authorized capital stock of Esmond Mills Ltd. consists of 25,000 5% cumulative preferred shares par value $20 of which 15,000 are outstanding and 40,000 npv common shares of which 36,000 are outstanding. The preferred stock is listed on the Montreal Curb Market.

Net profit of the company for the year ended Jan. 3, 1948, was $93,682 which represented earnings on the preferred of $6.25 per share and $2.19 on the common. As at the same date Esmond Mills Ltd. had total assets of $1.4 millions of which $547,301 was represented by current assets. Current liabilities totaled $133,270. Inventories were $257,713 ($265,867 ot Dec. 28, 1946).*

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MONETA PORCUPINE MINES has taken up 155,237 shares of Buffalo Ankerite Gold Mines to assist that company to finance large scale underground development program on relatively unexplored ground, shareholders are advised in 1947-48 annual report. Mill at the Timmins property was sold to a company in which Moneta has a financial interest and credit of $73,743 in capital surplus represents an adjustment made after sale of all plant and equipment to date.

The company examined 29 properties during year and did considerable diamond drilling on an optioned property in Michaud twp.

Moneta is participating in financing Halport Mines which plans diamond drilling its Yukon prospect and has obtained an interest in a Cuban gold property owned by Isle of Pines, which is expected to enter production in October. A small interest has been taken in financing exploration of two properties in British Guiana where work to date has not been encouraging. Company is also participating in Colebucke Mines.

Fifty-four claims were staked last fall in Pitt twp., north of Cochrane, Ont., adjacent to a property on which there is an interesting find of radio-active mineral, President C. C. Calvin, states.

INCOME ACCOUNT

Years Ended Mar. 31:	1948	1947
Oper. exps.	$94,162	$120,930
Less: Invest. inc.	27,475	33,962
Net loss	66,687	86,977
Add: Dividends	25,439	50,877
Deficit for year	92,126	137,854
Earned per share	d$0.026	d$0.034
Paid	0.01	0.02

CONDENSED BALANCE SHEET

As at Mar. 31:	1948	1947
Cash	$401,222	$300,983
Accts. rec.	7,507	18,691
Bonds & stocks*	597,789	663,126
Mat. & supplies	......	4,372
Total curr. assets	1,006,518	987,172
Prep. & def. chgs.	632	543
Inv. assoc. cos.	485,069	486,940
Properties	1,010,432	1,010,432
Plant & equip.▴	21,745	36,199
Total assets	2,524,396	2,521,286
Accts. & tax. pay.	1,064	4,691
Divds., etc., pay.	5,085	4,107
Total curr. liab.	6,149	8,798
Capital stocks	1,686,969	1,686,969
Capital surplus	460,832	362,947
Earned surplus	370,446	462,572
▴After depr. of	18,239	355,592
*Market value	652,067	805,183
Working capital	1,000,369	978,374

HYDRO - ELECTRIC POWER COMMISSION OF ONTARIO monthly load summary of primary power demands (actual loads plus cuts) for May shows an increase of 6% or 120,785 k.w. (161,910 hp), from May, 1947.

The summary also records a net increase in total power generated and purchased in the Southern Ontario and Thunder Bay Systems and the Northern Ontario Properties of 5.5% or 108,140 k.w. (144,960 hp) over the corresponding month of 1947. The detailed tabulation in kilowatts is:

Primary Demands:
(Actual Loads plus Cuts)

	Maximum 20-Minute Peak Kw. May 1948	May 1947	% Incr.
South. Ont.	1,833,648	1,732,062	+5.9
Thunder Bay	115,530	110,100	+4.9
Nor. Ont. Prop.	191,120	177,351	+7.8
Total	2,140,298	2,019,513	+6.0
Total Generated & Purchased:			
South. Ont.	1,709,483	1,619,322	+5.6
Thunder Bay	116,030	113,500	+2.2
Nor. Ont. Prop.	243,410	227,961	+6.8
Total	2,068,923	1,960,783	+5.5

ANGLO-NEWFOUNDLAND DEVELOPMENT CO. 1947 net profit was up 53.8%. Improved showing is accounted for largely by increases in prices for newsprint and sulphite pulp in the last half of 1946 and early 1947. Also, approximately 12,000 tons of additional products were produced in 1947 as a result of speeding up of machines and other plant improvements. Added to this are increased dividends from Terra Nova Properties Ltd., and the dividend received from Montmorency Shipping Inc.

Most of company' marketable securities were sold during the year at a substantial profit, which has been taken into reserves. A loan of $250,000 made to Gaspesia Sulphite Co. in 1939 was repaid in full during 1947. Improvements to fixed assets consist mainly of improvements to paper and groundwood mills, town amenities and expenditures on new railway mechanical shops and paper storage facilities. Amount required to complete rehabilitation work already commenced or approved for completion in the near future, is almost $2 millions.

During the year the company was able to bring its pulpwood inventories up to a level more in keeping with present annual requirements. The Gaspesia Sulphite Co. mill operated at full capacity and production was 19% higher than in 1946. Tonnage of ore milled at Buchan's Mine was 341,000 tons (384,500 tons treated in 1946). Output was adversely affected by shortage of power during last quarter of year. Despite lower production, there was a satisfactory increase in net income, attributable mainly to higher metal prices.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$9,585,571	$6,443,466
Less: Depr. & depl.	1,289,550	1,214,836
Fire Reserve	39,123	42,527
Loss on Security	33,374	......
Min. Int.	265,036	184,891
Income tax	2,721,301	1,597,975
Net profit	5,237,187	3,403,237
Less: Divds.	1,735,305	1,735,305
Surplus for year	3,501,882	1,667,932
Earnings per Share and Dividend Record:		
Com.: Earned	$3.02	$1.96
Payable†	1.00	0.60+0.40

†The following year.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	5,980,297	5,093,643
Invests.‡	55,925	353,700
Accts. rec.	6,267,485	5,461,071
Inventories	11,055,199	7,770,752
Total curr. assets	23,358,906	18,679,166
Invest. & dev.	1,390,248	1,419,852
Fixed assets†	9,543,482	8,992,462
Total assets	34,292,636	29,091,480
Total curr. liab.	7,078,164	5,546,481
Reserves	7,865,345	7,634,556
Min. Int. in Subs.	881,580	726,125
Capital stock	8,676,525	8,666,525
Earned surplus	9,791,022	6,517,793
‡Market value	58,183	unstated
†After depr. & depl. of	14,913,406	unstated
Working capital	16,280,742	13,132,685

BATES & INNES LIMITED
CARLETON PLACE, ONTARIO

Manufacturers of

Ottawa Valley Blankets, Rugs,
Hand Knitting Yarns
Knitted Outwear and Underwear
Tweeds and Knitted Overcoatings

THE BUTTERFLY HOSIERY CO.
LIMITED

We have revised to date our study of this enterprise. The company shows a strong financial position and we strongly recommend the purchase of the common shares at current price of $13.00-$14.00 to yield approximately 6% for income and appreciation.

Copies of the study are available on request.

BElair
1941*

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WORSTED, ANGORA & MOHAIR YARNS

For the knitted outerwear trade.
Also hand knitting yarns of both plain and novelty types.

SILK THROWSTERS
Affording the highest type of workmanship to the knitting and weaving trade.

KNITTED FABRICS
Jersey cloths — Overcoating — outerwear fabrics — Chinchillas — Astrachans — fleece linings — blanket cloths — stockinettes.

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GALT Est. 1884 ONTARIO

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1428 University Tower Bldg.,
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"FORMULA" SLIPS
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HOUSECOATS & BED JACKETS
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KNITTED FABRICS OF ALL TYPES TO THE TRADE

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S2-48

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Spinners
Weavers
Dyers
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and
YARNS FOR MACHINE AND HAND KNITTING

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Manufacturers of

HEAVY APPAREL FABRICS
Denims
Cottonades
Whipcords
Bedford Cords
Tweeds and Pantings
Coverts
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Shirtings

RAYON FABRICS
Tailors' Linings
Lingerie Fabrics
Spun Rayon Suitings
Dress & Sportswear Fabrics

YARNS
Cotton
Spun Rayon
Wool Blends
for weavers, knitters, braiders, handweaving and crocheting. Single ply and fancy twists.

BRANDED LINES (*Registered*)
"ACA" Ticking
"Kingcot" Denim
"Kingcot" Blankets (flannelette)
"Kingswade" Fabrics
"Nepah'win" Blankets (Indian)
"Woolcot" Blankets (Part Wool)
"Kingswool" Blankets (Part Wool)

HOUSEHOLD PRODUCTS
Awning Fabrics
Tickings
Blankets—Cotton
Blankets—Part Wool
Blankets—Crib
Sheets—Napped
Sheeting—Napped
Silence Cloth

NAPPED FABRICS
Flannelette—Saxony
Flannelette—Striped
Domets
Interlining
Robe Cloths—"Eiderdown"
Doeskins
Flannels
Cantons

Completely Equipped Mills
MARYSVILLE, N.B. MILLTOWN, N.B.
CORNWALL, ONT. HAMILTON, ONT.

Sales Offices
MONTREAL TORONTO HAMILTON
WINNIPEG VANCOUVER

Knitting Industry Looks to Good 1948, Watches Costs, Retail Prices Closely

(Continued from page 21)

respectively, the year before. Value of inventories rose only slightly to $379,094 at Dec. 31, 1947 from $374,364 at the previous year end.

Operations this year compare favorably with those of 1947, the president stated, and another good year is anticipated.

N. S. Textiles

Nova Scotia Textiles Co. manufactures a wide range of knitted goods for both cotton and woolen fabrics for men and women in its modern plant at Windsor, N.S. Sales are Dominion-wide with some of the products marketed under the names of "Windsor-Wear" underwear and "Evangeline" undergarments.

During the war period the company expanded its plant facilities materially to meet war requirements and conversion from war to peace has taken many months to catch up with civilian backlog of orders.

Financial and operating details are not provided.

Penmans Ltd.

Penmans Ltd. operates mills in Paris, Brantford, Waterford and London, Ont., and at Coaticook and St. Hyacinthe, Que. Watson Mfg. Co. Ltd., a wholly owned subsidiary, operates the Brantford mill.

The company manufactures all kinds of woolens, cottons and silk knitted goods, including hosiery, underwear, sweaters, knitted sports coats, blankets, pulp and paper makers' felts and jackets.

Dollar sales in 1947 were substantially higher than those in 1946 but unit sales were only slightly higher. Net profit was somewhat lower at $351,766 ($382,763 in 1946), equal to $32.72 per preferred share and $4.45 per common share ($35.61 and $4.93, respectively, in 1946).

Value of inventories showed an increase to $2,401,381 as at Dec. 31, 1947, from $2,135,166 at Dec. 31, 1946.

Sales for the quarter ended March 31, 1948, showed a large increase over the same period last year, F. Baillie, president, stated at the annual meeting. He pointed out, however, that the increase is probably not a true picture of unit sales as prices are not comparable. Demand for the company's products is being maintained except in certain localities where there are indications that supplies are exceeding demand. Raw materials are in short supply and prices for cotton and wool are at a high level. A labor shortage exists at certain points.

Dividends have been paid regularly on the 6% preferred stock and $3 per share has been paid on the common each year since 1932. In reply to a shareholder's question, the President said that although there has been considerable improvement in the company's position, there are reasons why consideration to an increase in dividends should not be given at this time. He added that directors would be glad to consider such a question later on this year.

In addition to $1,500,000 3¼% first mortgage bonds due 1966, the company has outstanding $1,075,000 6% preferred stock and 64,518 shares of no par value common.

Regent Knitting

Regent Knitting Mills Ltd. operates plants at St. Jerome, Que., for the manufacture of woolens, worsteds and knitted goods and for spinning and dyeing. The company develops its own water power at St. Jerome on the North River.

Control of the company was acquired in 1944 by Grover Mills Ltd., Montreal.

Net earnings from operations in 1947 totaled $1,167,291 ($1,216,404 in 1946). Net profit was $440,453 ($427,352 in 1946), equal to $27.53 on the preferred and $6.38 on the common ($26.71 and $6.18, respectively, in 1946).

Inventories increased substantially to $2,134,659 from $1,877,439 at the end of the previous fiscal year. Already demand exists for the company's products and the plant is capable of greater production now that controls are lifted, the president stated in the annual report.

Renfrew Textiles

Renfrew Textiles Ltd., Renfrew, Ont., manufactures woollen mackinaws, cloth, tweeds, blanket cloth, frieze shirtings and cloakings. The company's products are sold throughout the Dominion.

A new issue was made in October of $125,000 2½%, 2¾% and 3% serial bonds maturing 1948-52 inclusive. There are 25,000 60c cumulative participating Class A preferred shares, no par value, and 56,025 Class B no par value shares outstanding.

Net earnings, including those of its recently acquired subsidiary, J. G. Field & Son Ltd., Tavistock, Ont., totaled $81,156 ($45,134 for the parent company only in 1946). Net profit was $37,208 ($21,888), equal to $1.49 on the Class A and 40c on the Class B (88c and 12c, respectively, in 1946).

Orders on the books at the end of the first quarter were sufficient to operate well into the Fall of this year, it was stated in the annual report. Inventories at the end of 1947 were higher at $145,155 ($104,093 at Dec. 31, 1946). Inventory reserve was lower at $17,371 from $18,959.

York Knitting

York Knitting Mills Ltd. is engaged in the spinning of woolens, French dry spun worsteds and cotton yarns and the manufacture of a wide range of knitted apparel including men's, women's and children's hosiery, underwear, sweaters, outerwear and bathing suits.

Six plants are operated by the company, two in Toronto, one in Hamilton and three in Woodstock, Ont. Operations are carried on under the following divisions: York Spinning, Toronto Hosiery, in Toronto; Zimmerknit division in Hamilton; and the Hosiers and Harvey Woods Underwear divisions at Woodstock. In addition, the company operates certain of its hosiery machinery in leased premises at Richmond, P.Q.

Kroy Unshrinkable Wools Ltd., a subsidiary, owns and operates a plant in Toronto processing Kroy unshrinkable wools. Its wholly owned subsidiary in the United States operates at Lowell, Mass. Taylor-Woods Ltd., another subsidiary of York Knitting Mills, manufactures ladies' fine gauge hosiery at Enniskillen, Northern Ireland.

Distribution of the company's products is handled through sales offices in Toronto, Montreal, Ottawa, Quebec City, Winnipeg, Calgary and Vancouver. Export business is carried on through agents in Trinidad, Jamaica, Argentina, Brazil, Venezuela, Chile, Peru, Newfoundland, South Africa and Sweden.

Net earnings increased to $1,002,857 ($711,271 in 1946) and net profit was $371,425 ($305,371). Prospects for the company appear favorable again this year despite the uncertain economic outlook. Costs of raw materials and manufacturing are at the highest level in many years and increasing caution toward forward commitments and present high value of inventories is appearing among the distributive trades. As a consequence, the company is undertaking reductions in its inventory and forward buying commitments where practical, although high unit costs may conceal the effect of this on total value of inventories (shown at $2,922,785 at Dec. 31, 1947; $2,049,629 at Dec. 31, 1946), J. Douglas Woods, president, stated in the annual report.

Each of the three new subsidiaries (Kroy Unshrinkable Wools Ltd., its U. S. subsidiary and Taylor-Woods Ltd.) is now operating at an increasing rate. During the latter months of this year it is anticipated that together they will be enjoying operating profits on a satisfactory scale.

Additions to fixed assets in York Knitting Mills cost $418,000 in 1947 and it is planned to continue this program of plant additions, with $800,000 indicated as the probable cost for this year.

Reclassification of the two preference stocks and the common stock into new Class A and B stock was effected late in the year. Under the plan, 7% first preference shareholders received 25 Class A and two Class B shares no par value, for each share held, and 7% second preference shareholders received 21 Class A and two Class B shares for each share held. Old common shares were exchanged on the basis of one Class A and two Class B shares for each share held. After giving effect to these changes, authorized capital consisted of 500,000 Class A and 700,000 Class B shares of which 329,512 Class A and 467,024 Class B shares would be outstanding. Following a subsequent offering of the Class B shares remaining unissued at $3.50 a share to B shareholders, outstanding share capital at June 1, 1948, consisted of 29,200 7% first-preference shares, 322,212 Class A and 700,000 Class B shares. Funded debt consists of $500,000 2½% and 3% serial bonds, due 1949-58; $1,400,000 3¼% sinking fund bonds due 1971; $500,000 4% serial bonds due 1952-61, inclusive, and $500,000 4% sinking fund bonds due 1971. The $1,000,000 4% first-mortgage bonds were issued in March, 1948.

MONTREAL COTTONS common shares have been taken from the list of Montreal Stock Exchange, since the number of shares outstanding in the hands of others than Dominion Textile Co., now amount to only 4,009 shares.

COMPANY REPORTS

MERSEY PAPER CO. 1947 net profit was up 82.5%. Company has contracted for additional freehold timber lands at a cost of approximately $2.5 millions. In order to fund a part of this cost, arrangements have been made for the issue and sale on July 2, 1948 of $1.2 million first mortgage bonds, series B.

During the year the company retired $400,000 of its first mortgage serial bonds. Following reorganization of capital, the policy of paying regular quarterly dividends on preference shares has been inaugurated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings*	$3,473,293	$2,423,238
Less: Deprec.	641,483	680,590
Int., bds. & loans	106,059	106,884
Inc. tax prov.	1,168,656	782,724
Net profit	1,557,095	853,040
Less: Pref. divds.	137,500	......
Accr. divds. & prem. on shs. red.	89,533	......
Surplus for year	1,330,062	853,040

*After depletion.

Times All Interest Earned:		
Before depr.	32.75	22.67
After depr.	26.70	16.30
Earnings per Share and Dividend Record:		
Pref. 4½%▲: Earned	$42.99	†$17.06
5½% Pref.: Paid	2.75	......
Com.▲: Earned	7.03	3.85

▲No dividends paid on either stock.

†5½% pref. partially converted into 4½% pref. and common and balance redeemed and cancelled Dec., 1947.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$256,096	$251,403
Accts. rec.	1,133,390	1,198,479
Inventories	3,444,187	2,572,336
Total curr. assets	4,833,673	4,022,218
Misc. assets	101,473	104,547
Investments	88,155	97,588
Fixed assets	15,629,457	15,669,395
Total assets	20,652,758	19,893,748
Accts., tax., etc., pay.	1,374,475	1,282,343
Bonds & mtge. due	400,000	505,292
Total curr. liabs.	1,774,475	1,787,635
Misc. res.	154,690	......
Funded debt	1,200,000	2,231,753
Depreciation res.	8,296,087	7,766,989
Capital stock	5,579,188	5,749,988
Capital surplus	348,572	350,972
Earned surplus	3,299,737	2,006,411
Working capital	3,059,198	2,234,583

SENATOR-ROUYN has received payment for part of Aug. 15 installment of 50,000 shares at 45 cents a share. Issued capital is 4,469,333 shares.

Raymills Ltd.
RAY-MIL Fabrics

Yarn Dyed Plaids
Dress Prints
Filament Crepes
Yarn Dyed Checks
Lingerie Satins
Spun Mixtures

RAY-MIL Fabrics

1435 ST. ALEXANDER ST., MONTREAL, QUE. TEL. LA. 4620

FIVE FACTORIES IN ONTARIO
MAKE
Monarch Products
★ HAND KNITTING YARNS
★ WOOLLEN AND WORSTED MACHINE KNITTING YARNS
★ KNITTED CLOTH
★ KNITTED OUTERWEAR ★ KNITTED UNDERWEAR
★ FULL FASHIONED HOSIERY ★ HALF HOSE
☆
Famous for Quality, Foremost in Style
THE Monarch Knitting
COMPANY LIMITED
TORONTO (2) | DUNNVILLE
ST. CATHARINES | ST. THOMAS

WOODS MANUFACTURING CO.
LIMITED
EMPIRE COTTON DIVISION
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Manufacturers Sheetings — Bag Cloths
"Durable Denims"
Ounce Ducks
Hosiery Yarns — Twine — Ply Yarns
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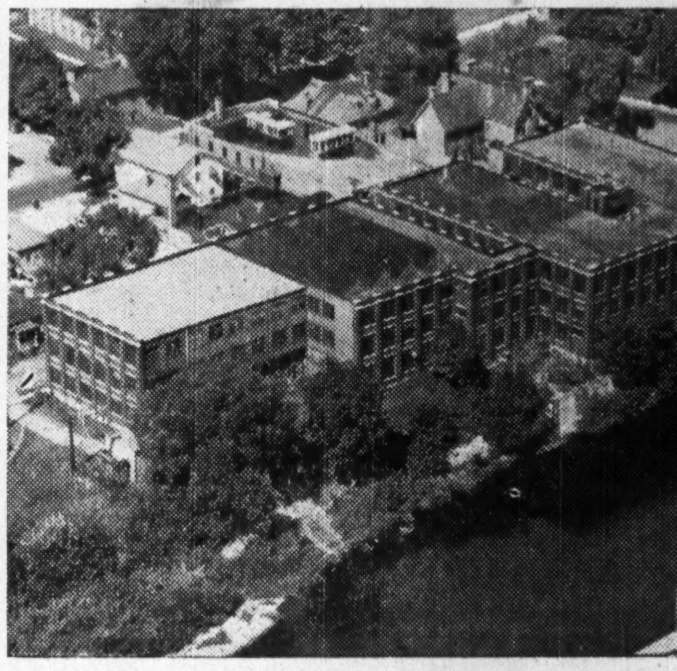
Main Office and Mills at
WELLAND, ONTARIO
GENERAL SALES OFFICE:
401 LOGAN AVE., TORONTO
BRANCH OFFICES:
MONTREAL — WINNIPEG



Riverside Plant in Galt, Ontario

SPINNERS
and
THROWSTERS
of
SILK, NYLON, AND
RAYON YARNS FOR
THE HOSIERY TRADE
•
WEAVERS
of
RIVERSIDE QUALITY
DRESS AND LINGERIE
FABRICS

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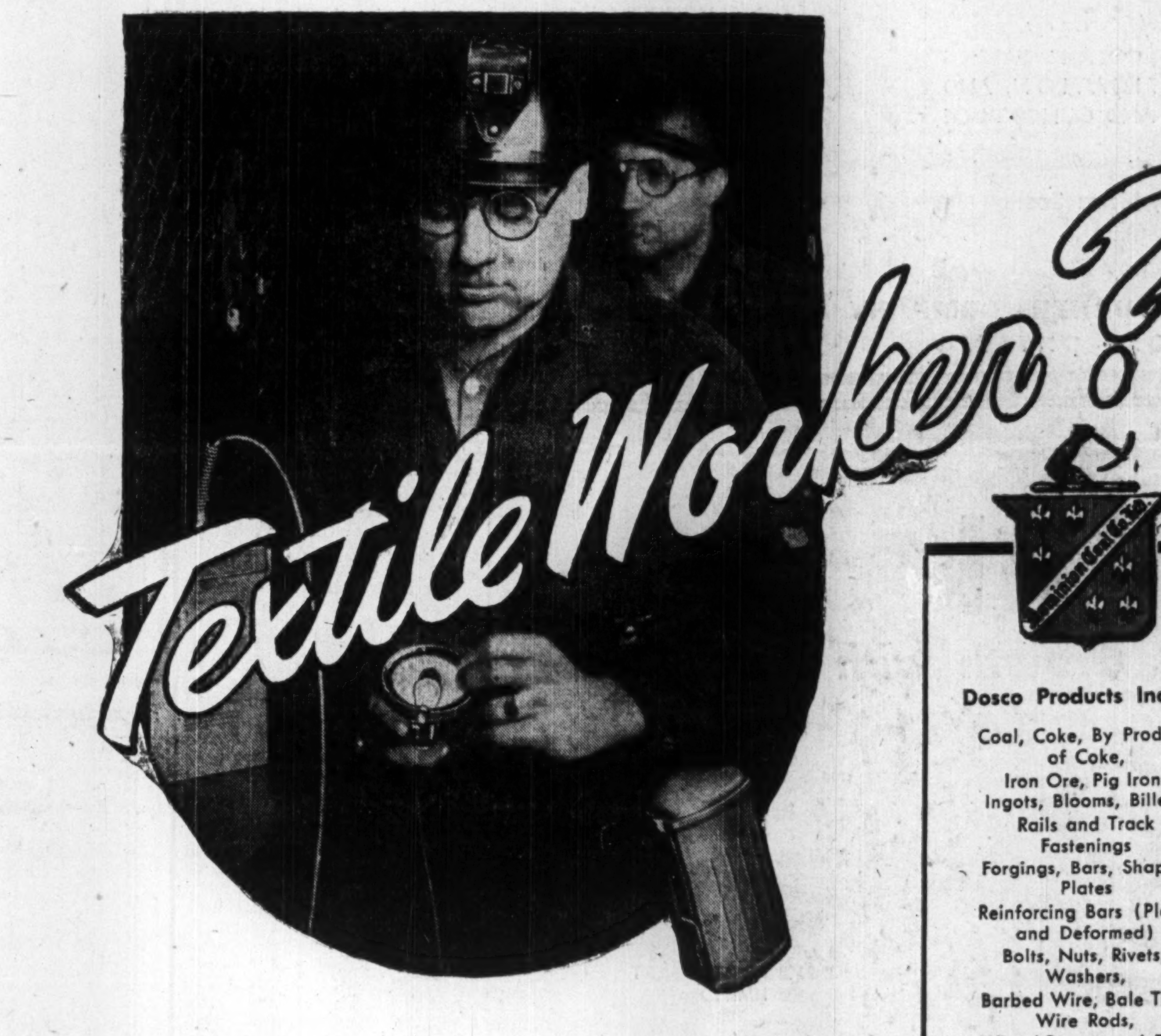

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Wire Nails (Standard and Special Pattern)
Cut Nails, Tacks, Staples
Nipples and Couplings
Pipe (Wrought Iron, Copper Bearing Steel, Black and Galvanized)
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DOSCO

No one would think of calling a bituminous coal miner a textile worker! And yet, without him, most Canadian textile mills could not operate . . .

"And further, some of the coal he mines goes to smelt the ore from which comes the steel necessary for replacements and new machinery to keep the textile industry functioning at top level production."

And further still, while the miner's coal plays its part in making textiles, the textile workers make the overalls he wears—and the clothes for his family.

Thus in an industrial sense we are inseparably interdependent—the operation of mines and textile mills are complimentary.

The interests of Dosco, men and management, are interwoven with the interests of Canada's textile industry. We shall do well, all of us, to keep these facts in mind in planning for the future . . . Prosperity is indivisible.

DOMINION STEEL AND COAL
CORPORATION LIMITED
AND AFFILIATED COMPANIES
Mines in Newfoundland and Nova Scotia
Plants, Warehouses and Sales Offices Across Canada
Only Producer of Steel and Steel Products in Canada
Wholly Self-sustained Within the Empire

Dominion's Rayon Industry 'Grows Up' Can Now Fill Domestic Requirements

Canada's rayon industry has just attained the stature where it can meet domestic requirements. Operating at capacity, Canadian mills produced four fifths of this country's consumption of rayon fabrics in 1947—a record high. Since 1939, output has jumped from 50 million yards to over 80 millions in 1947.

A major development in the last year has been manufacture of rayon staple fibre. One plant now in production can supply the entire Canadian demand for acetate staple fibre while another, to be opened soon, will supply increasing quantities of viscose staple fibre. Importance of the widened rayon field is revealed from 1947 import figures for these same fibres—12.7 million lb. With the manufacture of this product in Canada, the last important gap in establishment of a completely Canadian industry has been filled.

Total Canadian consumption of rayon fabrics reached a new high of 8.14 yards per capita in 1947, reflecting expanding use of rayons in the textile field. At the same time, the Canadian product had to meet increasing competition from imported fabrics which were introduced into this country in larger volume than ever before. Export of rayon fabrics also increased to a new high — 7.7 million yards—despite high demand at home.

Domestic production of filament rayon yarn reached 30 million lb. in 1947, an increase of around 10% from 1946. The entire rayon industry is currently employing some 18,000 workers, compared with 8,200 prewar, and employment is distributed among 38 communities.

With the shortage of filament yarn likely to continue for some time, market prospects should continue good, rayon officials say. It appears now that it will be some time before the saturation point has been reached. While conditions may not be as good as they have been for the past three or four years, business should remain fairly steady for some time to come. Prospects are that the rayon industry will continue to expand and that prices will remain quite steady, officials state.

Assoc. Textiles

Associated Textiles of Canada, a wholly-owned subsidiary of United Merchants & Manufacturers, operates spinning, thinning, weaving, dyeing and printing plants at Louiseville, Que. Starting operations in 1930, the company now employs about 850 workers.

The company manufactures spun yarns and various artificial silk fabrics. In its spun mixtures the company uses combinations of viscose and acetate rayon, wool, nylon. Approximately 95% of the company's output is sold in Canada.

Belding-Corticelli

Belding-Corticelli Ltd. which manufactures nylon, silk and rayon threads for all purposes, operates factories in Montreal, Saint John, Quebec and Coaticook, Que., and a small plant in Sorel, Que. Branch warehouses and offices are maintained in Montreal, Toronto, Winnipeg and Vancouver. Output consists of threads, ribbons, braids, tapes, elastic, embroidery cottons, hosiery, knitting yarns and fabrics.

Sales for the year ended Nov. 30, 1947, surpassed all previous records of the company. Operating profit was $744,165 ($645,946 in 1945-46). Net profit increased to $148,775 after allowing for $150,000 reserve for inventory price decline ($127,248 in 1945-46, after a $75,000 plant improvement reserve).

Capacity operations, so far as labor supply and raw materials permit, are continuing this year and sales prospects are encouraging, the company states. A program of replacement and modernization is being carried out, a total of $204,110 worth of new machinery and equipment having been placed in operation in the fiscal year just ended. Inventories at $1,072,958 showed an increase from $905,741.

Narrowing of the British preference may adversely affect the volume of export trade enjoyed by the company in Empire countries for many years, the annual report states. Reductions in the Canadian tariff rates following the International Trade Conference at Geneva are not likely to affect the company's business immediately, while high prices prevail abroad. However, when competition is keen, these reductions may be serious, it was added.

Bruck Mills

Bruck Mills Ltd. manufactures the complete product, from yarn to finished goods, including screen and roller printing. It uses natural and synthetic fibre, among which are rayon, nylon, silk, wool and cotton. The company also does commission dyeing and printing. Bruck Fabrics include dress fabrics, sportswear fabrics, drapery and upholstery fabrics, mattress coverings, linings, and lastex fabrics. Also produced are linings for the garment trade, scarvings, materials for the corset and bathing suit trades, a range of footwear fabrics, special fabrics for use in manufacture of mattresses, pillow slips and bed spreads, Jacquard fabrics for the upholstery and drapery trades, and "Wolaine," which is used in the manufacture of clothing.

Sales of the company and its subsidiaries were at a new high in the 1947 fiscal year, reflecting results of the modernization and extension program carried out in 1947. Contributing to the inincreased output, the new Sherbrooke and Farnham plants came into production during the fiscal year ended October 31, 1947. Operations in the Sherbrooke plant have now reached substantial proportions and it is expected to be in full production well before the end of the fiscal year 1947-48. The building at Farnham has been completely fitted with throwing equipment and is operating at capacity. The output of this plant has enabled the company to increase its production of crepe fabrics, which are in considerable demand.

Consolidated net profit for 1946-47 was $532,550 ($319,922 including refundable taxes in 1945-46, for the parent company only). Earnings per share were $4.26 in 1946-47 ($2.47 excluding and $2.56 including refundable taxes in 1945-46).

Bruck Mills (Australia) Ltd. in which the company holds a substantial interest, had a large part of its equipment installed last year and is now in partial operation.

Sales during the first 16 weeks of the 1948 fiscal year were 22% higher than for the same period of last year, and the management feels present increased business should be maintained during the rest of the period, it was stated at the annual meeting.

Inventories showed an increase to $1,958,290 as at Oct. 31, 1947, from $1,516,275 at Oct. 31, 1946 (before inventory reserves of $212,830 and $137,137, respectively).

Canadian Celanese

Canadian Celanese Ltd. owns sole rights for Canada to the Dreyfus patent for the manufacture of cellulose acetate, artificial silk, chemicals, fabrics, etc., and the Canadian rights to all products which may be developed by the research organizations of all the Celanese companies.

The company's principal business is the manufacture of synthetic yarns and fabrics, having cellulose acetate as their base, which are marketed under the registered trademark "Celanese." Celanese products simulate voiles, satins, moires, chiffons, wools, etc. The company also manufactures hosiery, underwear, etc., under an agreement with Trubenizing Process Corp., holding Canadian rights to the Trubenizing process, covering the manufacture of fused collars. Celanese has been supplying cellulose acetate staple and filament yarns for sale to Canadian mills which had formerly imported this commodity.

During 1947 construction was completed on a new plant at Sorel, P.Q. at an approximate cost of between $3 and $4 millions. A further $3,771,582 was spent in 1947 in order to complete the expansion of facilities at the Drummondville plant, including a new staple plant. Expenditures at this plant for expansion of facilities had already involved expenditure of $4,839,987 in the years 1944-46 inclusive. Plants at Drummondville and Sorel have a total of approximately 4,500 employees.

Net operating profit totaled $6,631,209 for 1947 ($4,579,723 for 1946), and net profit rose to $3,025,462 ($2,027,381). Earnings per share were $6.05 on the combined $1 and $1.75 preferred stocks and $7.25 on the common ($4.93 on the $1.75 preferred and $4.10 on the common in 1946).

Sales for the quarter ended March 31, 1948, were up approximately 40% over the same period last year, due to the increased manufacturing capacity. Production on a commercial scale in the new Sorel plant, where operations began in January, has added new yarns and fabrics to enlarge the range of the company's products. Its output of men's and women's suitings and upholstery fabrics has been well received, C. W. Palmer, executive vice-president, told shareholders at the annual meeting. It is estimated that to complete the present projects which are in hand, a further expenditure of some $3 millions will be made, it was stated.

Cons. Textile

Consolidated Textile Mills Limited, through operation of its subsidiaries, manufacture rayons, nylons, silks and mixed fabrics used in making lingerie, dresses, blouses, housecoats and children's wear. Combined production of the subsidiaries classifies the company as the largest manufacturer of lingerie fabric in Canada and products are marked under its own trade mark throughout the Dominion of Canada.

Two mills are operated at St. Hyacinthe, Que. by subsidiaries, Consolidated Textiles Limited and Nuflex Textiles Limited, and in addition a new mill at Joliette, Que. was completed in November and brought into production this year. Cost of the mills and new machinery was in part paid from corporate funds and in part financed by $150,000 3¼% general mortgage bonds maturing serially over a period of seven years.

Consolidated net profit for 1947 was $202,947 compared with $66,224 for the eight months ended Dec. 31, 1946. Earnings per share in 1947 were $10.30 on the preferred and $3.55 on the common ($3.31 and $1.13 respectively for the eight months in 1946).

Capitalization as at Dec. 31, 1947 consisted of $150,000 3¼% first mortgage bonds due 1948-55, 19,700 5% sinking fund redeemable preferred shares, $20 par, and 50,000 common shares, no par value. A total of 300 preferred shares were redeemed and cancelled in 1947.

Production in 1948 should run ahead of last year due to improvement in the labor supply and modernization of the machinery and plant. Increased efficiency, lower costs and better quality cloth are also expected, the annual report states. Inventories increased to $288,052 as at Dec. 31, 1947, from $177,821 a year earlier.

Courtaulds (Can.)

An expansion program, amounting to over $12 millions, which will mean a long step toward a self-sufficient Canadian rayon industry, is expected to be completed by Courtaulds (Canada) Limited in the early months of 1949. Involving new buildings and extensive enlargements of the present plant, modernizing and replacement of mill equipment, the expansion program has been under way since 1946.

When completed, the Courtaulds' plant at Cornwall, Ont. will have increased production capacity for the manufacture of viscose filament yarns for textile purposes and of "high-tenacity" yarns for tire cords. It will also comprise Canada's only producer of viscose staple fibre yarns which must now be imported, principally from United Kingdom. It is expected that this expansion of production will be adequate to meet the requirements of the Canadian rayon industry and other processors of yarns.

A feature of the expansion program will be a central viscose producing unit from which viscose will be pumped to the three manufacturing sections of the plant: staple fibre, "high-tenacity" tire cord yarns, and textile continuous filament yarns. This new unit will have a capacity more than double present facilities.

It is estimated that, when new equipment is installed and operating next year, production capacity of the reorganized and expanded plant for textile filament yarns and tire cord yarns will be 23 million pounds annually. Prewar production on textile yarns will be restored, even slightly exceeded, and in addition nine million pounds of tire cord yarn will be produced annually.

Production of "Fibro" viscose rayon staple fibre at Cornwall will bring a new industry to Canada, which is presently dependent entirely on imports for supplies of this type of widely-used yarn. Estimated production capacity at Cornwall is 10 million pounds annually which will go a long way toward meeting domestic requirements.

Meanwhile, the demand for viscose yarns continues, although the supply situation for viscose staple fibre is approaching normal. It is

(Continued on page 26)

COSMOS IMPERIAL MILLS, LTD.

Head Office: HAMILTON, Ont.

Manufacturers of:

INDUSTRIAL COTTON FABRICS TO SPECIFICATION, AND WIDE, SAIL AND OUNCE DUCK

Mills Located at:

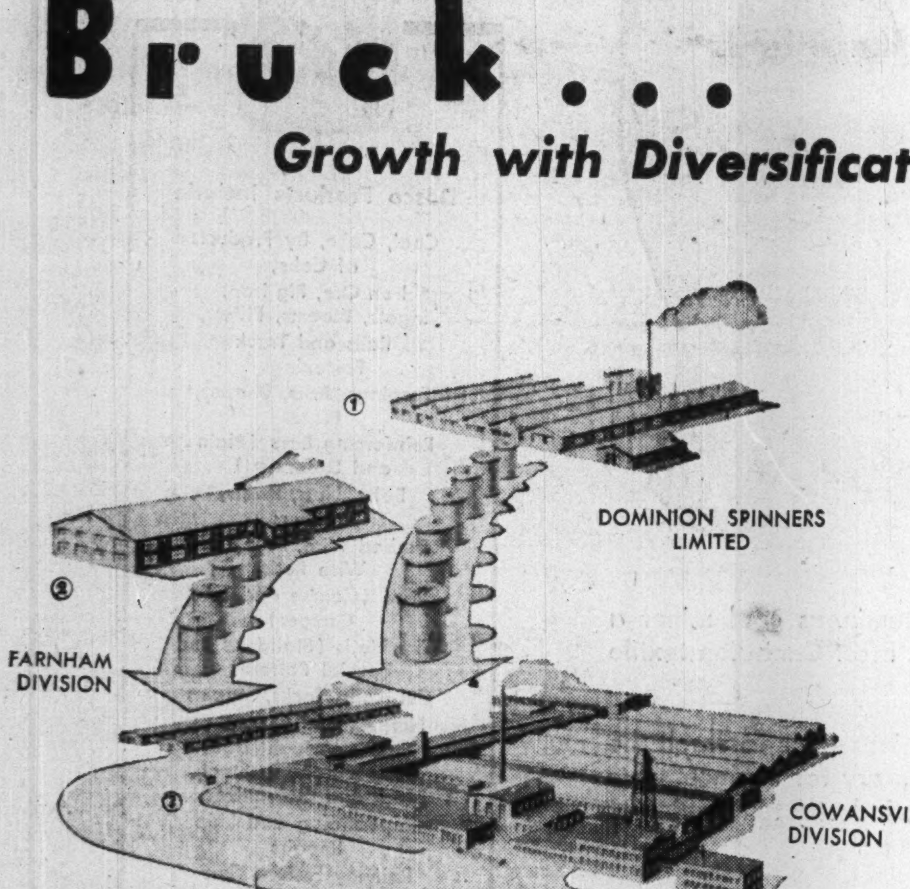
YARMOUTH, Nova Scotia
HAMILTON, Ontario

Selling Agent

J. SPENCER TURNER COMPANY
HAMILTON—ONTARIO

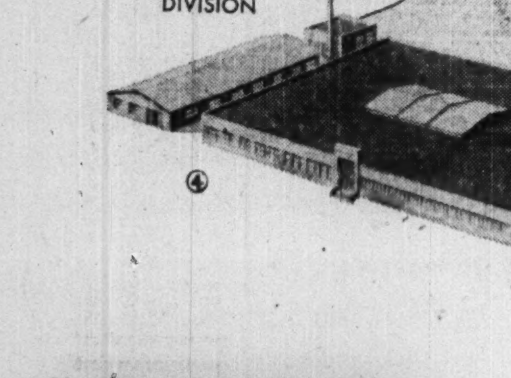
Bruck . . .

Growth with Diversification



Bruck's leadership in the fabric field is reflected in its program of continuous plant expansion and modernization together with an ever-widening diversification of products.

All operations from yarns to finished fabric are carried out in the Company's plants delivering fabrics for dresses, sportswear, upholstering, draperies, suitings and linings to Canada and the export markets of the world.



BRUCK MILLS LIMITED

Bruck Fabrics are sold by the yard in leading stores everywhere

Quality FABRICS

for the following trades

Men's Wear
Ladies' Wear
Children's Wear
Footwear

Leather Goods
Millinery
Furrier
Household

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1076-78 BLEURY STREET
MONTREAL, CANADA

IMPORTERS
WHOLESALERS AND CONVERTERS
SILKS, RAYONS, WOOLLENS, COTTONS, LININGS

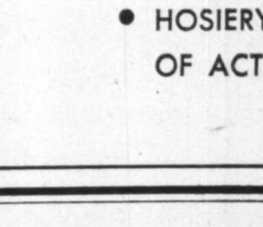
THE CODE FELT & KNITTING COMPANY LIMITED
PERTH, ONTARIO

ESTABLISHED 1876

MANUFACTURERS OF:

- HEAVY WOOLLEN HOSIERY FOR LUMBERING, MINING, FARMING, AND ALL OUTDOOR WORK
- HOSIERY FOR EVERY TYPE OF ACTIVE SPORT
- PRESSED FELTS FOR THE SHOE, HARNESS, SADDLERY AND TAILORING TRADES
- MACHINERY FELTS
- FELT INSOLES

CRUSADERS;
SOCKS AND ANKLETS



'ATHLETIC' SHIRTS
AND 'SUPORT' SHORTS

FULL-FASHIONED NYLONS
FEATURING THE 'FRENCH HEEL'

NYLON-OVER-RAYON
AND RAYON LINGERIE

DR. DENTON SLEEPERS

Mercury Leadership...

the result of unending effort

MERCURY Mills is proud of the achievements that have made it an acknowledged leader of Canada's Textile Industry. Proud of progress resulting from unending effort in product improvements. Mercury's business activity is guided by the Mill's balanced manufacturing, merchandising and sales policy.

- **Complete and balanced range of merchandise at competitive prices.**
- **Rigid maintenance and control of production standards.**
- **Use of the newest in machinery, the latest in fabrics.**
- **Modern distribution and selling methods.**
- **Integrated consumer and dealer sales promotion.**
- **Continuation of excellent employee-management relations.**

The wide acceptance of Mercury Mills' products is testimony to the success of the company's efforts to produce only the highest quality knit wear. Mercury Mills looks forward with confidence to continued leadership in Canada's Textile Industry through strict adherence to its declared policy.

Among the well-dressed ...it's MERCURY

MERCURY MILLS LIMITED; HAMILTON; CANADA

9

Continuation of Record Output, Earnings Forecast for Mixed Textiles Through '48

The mixed textile group comprising hat and cap, glove factories, tailoring plants, carpet weaving, cordage, rope, twine and linen mills enjoyed its best year in history in 1947. Current indications suggest continuation of high output and earnings for the remainder of the current year.

Demand remains high for carpet, tailoring, glove and cordage firms with some increase in consumer resistance experienced in hat and cap manufacturing. All industries are faced with still rising costs and in many cases spotty supply situations in raw materials.

Carpet wools remain in short supply, and although fine worsted tops are becoming more readily available, prices have increased greatly. Increasing imports of carpets from England and India are absorbing the backlog of demand built up during the war years. However, a healthy demand for domestic carpets is anticipated for some years to come, according to C. Malim Harding, general manager of Harding Carpets.

Tip Top Tailors continued an improvement program in plant and stores. Two new store properties were acquired during 1947 and two stores were sold.

The Dominion Government subsidy on fibre imported for manufacturing binder twine, maintained during the war years, was discontinued in March, 1947, and an increase in the selling price of the finished product authorized.

Acme Glove

Acme Glove Works Ltd. operates factories at Montreal, Loretteville, Joliette and Ste. Tite, Que., for the manufacture of fine mitts, moccasins, sheepboots, shoe packs, wool socks, sheeplined and mackinaw clothing, sport and work garments. Sales offices are at Montreal; sample rooms at Vancouver, Moose Jaw, Winnipeg, Ottawa, and Quebec.

Net operating profit for 1947 was $347,794 ($334,813 in 1946; net profit, $157,542 ($143,016 in 1946). Earnings per share were $4.98 on the preferred and $2.10 on the common ($4.40 and $1.83, respectively, in 1946). Common dividends, resumed in 1947 for the first time since 1939 amounted to 50c per share last year and 25c has been paid so far in 1948.

Outstanding capital is 31,610 preferred shares, $20 par value, and 48,000 n.p.v. common shares.

The company expects that, given a normal consumer demand this year, the company's plants should be kept in full production. Orders on the books at the end of the fiscal year were slightly in excess of those at the end of the previous year.

Inventories at the end of 1947 were slightly lower at $690,515, compared with $698,581 at Dec. 31, 1946.

Brantford Cordage

Brantford Cordage Co. is the largest manufacturer of binder twine in the British Empire, selling approximately two-thirds of its output for Canadian consumption, and exporting the remainder. The company supplies about one quarter of the total Canadian consumption.

Net earnings rose to $399,970 in the fiscal year ended Aug. 31, 1947 ($199,041 in the previous year). Export business accounted for a considerable part of the improvement in earnings. An increase in the selling price of the finished product was authorized following discontinuance in March, 1947, of the government subsidy on fibre imported for manufacturing binder twine for domestic consumption. Net profit in the 1946-47 fiscal year was $233,393 ($128,192 in 1945-46), an increase of 82%. Earnings per share were $7.07 on the preferred and $2.38 on the common, against $3.86 and $1.06, respectively, the year before.

Inventories showed a marked rise to $1,127,252 as at Aug. 31, 1947, from $236,243 at the end of the previous year. The directors considered the company's inventory position satisfactory, the annual report states, in view of the continued world-wide shortage of hard fibre with resulting increasing cost.

The company's plant, comprising three separate units, is located in Brantford, Ont. Capacity is about 20,000 tons of binder twine a year.

Biltmore Hats

Biltmore Hats Ltd., manufacturers of men's fur felt and wool felt hats, also bodies in the rough, operates two plants at Guelph, Ont., with permanent sample rooms in Montreal, Toronto, Ottawa, Hamilton, Winnipeg, Calgary, and Vancouver.

Sales receded somewhat in the year ended Nov. 30, 1947, but the company was able to maintain its high level of net profits despite an unfavorable market for raw materials and an increase in some operating costs. Net profit was $142,862 compared with $100,434 the previous year when a $50,000 provision was made for contingencies. Income taxes were $115,000 ($170,883 in 1946).

Outstanding capital consists of $100,000, 2.6% debentures, due May 31, 1952, 40,000 Class A shares and 40,000 common shares. Dividends are being paid quarterly at the rate of $1 per annum on the Class A and 40c on the common shares. An extra dividend of 20c was paid on the common along with the regular quarterly payment on Jan. 15, 1948.

Recently expenditures have been made on modern equipment and it is the company's plan to keep abreast of the latest technical advances in hat making by additional expenditures on new equipment.

Lower inventories were shown at Nov. 30, 1947, amounting to $609,360 ($692,711 at Nov. 30, 1946).

Caldwell Linen

Caldwell Linen Mills experienced a substantial increase in production in 1947, reflecting completion of the expansion program started in 1945. Total net cost of the three-year program was $286,697 of which $71,409 was provided in 1947.

The company manufactures fine linen tablecloths, towels, Terry bath towels, napkins and fine cotton goods complementary to the linen business. Operations of the plant at Iroquois, Ont. include winding raw yarn, warping, weaving, dyeing, bleaching and finishing.

The company markets its products under the trade name of "Caldwell Golden Thread." In addition to general private use, they are sold extensively to railway companies, steamship companies, hotels and hospitals.

Net earnings for 1947 were $387,049 ($230,051 in 1946); net profit increased to $185,897 ($101,309), equal to earnings per share of $12.30 on the first preference, $6.54 on the second preference and $3.58 on the common ($6.75, $3.15 and $1.47, respectively, in 1946), the latter two figures shown before participation.

Working capital position improved during the year, amounting to $589,221 at Dec. 31, 1947, against $493,675 at the end of the previous year.

Demand for the company's products continues at a high level and the coming year is viewed with confidence, H. H. Caldwell, president, stated in the annual report.

Canada Western Cordage

Canada Western Cordage Co. is the only company engaged in the cordage business in Canada west of Ontario. Factory is in New Westminster, B.C., and head office in Vancouver. Products include a complete line of manila and sisal rope, lines and tying twines.

Chief markets are in the four western provinces. Sales to foreign markets which have included the principal British West Indies—Trinidad, Barbados, Jamaica, Windward and Leeward Islands—British Guiana, Dutch Guiana, Venezuela and Guatemala, have been adversely affected due to exchange situation. Nevertheless dollar sales in 1947 were highest on record, and there is a good outlook for this year as well, Managing Director F. C. Brown told shareholders at the company's annual meeting.

The company has on order a number of new and up-to-date machines to enable them to properly meet the growing demand for its products. The machines, which include Gill spinners and special preparation machinery, will ensure the continuance of quality as well as quantity production.

High cost of fibres, especially manila which advanced rapidly in price following release from controls a little over a year ago, left inventories of $410,058 at Sept. 30, 1947 ($227,285 at Sept. 30, 1946). The company's sisal supply comes from British East Africa. There will be very little fibre from the Dutch East Indies and Java, large prewar producers, because new plantings are necessary on all of the estates and it takes three to four years to bring them to maturity.

Net profit in 1946-47 fiscal year was $93,581 ($49,759 in 1945-46), an increase of 88%.

Felt & Textiles

Felt & Textiles of Canada Ltd. was incorporated under the laws of British Columbia in 1946. The company entered into a contract with Felta Co. Inc., a wholly owned subsidiary of Felt & Textiles of Australia Ltd. Under this contract the Canadian company has acquired for the sum of $85,727 U. S. currency rights and processes to manufacture throughout Canada and Newfoundland a line of floor coverings known throughout Australia, New Zealand and South Africa as "Feltex," "Marbled Feltex," and "Luxfloor."

An offering of 80,000 n.p.v. common shares at $5 a share was made in August, 1946. The company purchased the former plant building of B. C. Woolen Mills, Victoria, B.C. Initial production was scheduled for this spring. In the meantime the Australian associates have been sending shipments of floor coverings. "We have been very pleased at the public acceptance of this product even though our offerings have been on a somewhat limited scale,," Managing Director Philip Fleming states.

General Products

General Products Mfg. Corp. Ltd. originally engaged in the manufacture of silk hosiery, now has widely diversified operations including the following divisions:

Supersilk hosiery, London, Ont., which manufactures a wide range of full-fashioned hosiery. Export business is carried on with Australia, New Zealand, Ireland, Trinidad, India, South Africa, and other foreign countries.

Budget products, London, Ont., manufactures and sells household products under the trade name "Budget."

Standard Tube Co., Woodstock, Ont., manufactures and fabricates tubing for many purposes and also produces automotive equipment. Additional space for Standard Tube was provided by the purchase in 1947 of the Holman Machines Ltd. plant at Woodstock. A subsidiary, Metal Fabricators Ltd., produces a complete line of hospital equipment.

Langmuir Paint, Oakville, Ont., is expanding its operations in western Ontario.

A boat-building and repair plant on the waterfront at Sarnia, Ont., was purchased in 1947 to provide additional space for expansion. No definite plans have been made as yet for its utilization and pending a final decision in the matter, the company is continuing to operate the boat repair business, under the name of Blue Water Boat Works.

Sales in 1947 reached a new peak, although due to higher prices for all lines except hosiery, the dollar amount of sales increased somewhat more than the physical volume. Further sales increases during the first quarter of 1948 have confirmed the greater volume of business expected for the current year.

Net profit of the organization, excluding accounts of Standard Tube, Metal Fabricators and Blue Water Boat Works, amounted to $257,904 ($251,671 in 1946).

Outstanding capital consists of 3,903 5% preferred shares, $100 par, and 75,000 Class A and 25,000 Class B common shares, n.p.v.

Great West Felt

The Great West Felt Co., Elmira, Ont., owns and operates one of the largest heavy felt footwear plants in the British Empire. Virgin wool is processed and manufactured into approximately 150 styles of felt footwear. The company's products are known under the registered trademarks "Great West," "Polar King" and "Cold Proof." Products are marketed direct to mail order houses, wholesalers, retailers and jobbers throughout Canada and arrangements were made in 1946 to secure distribution in the United States.

Main plant is at Elmira, Ont., with a branch plant at Listowel, Ont. A modernization program commenced early in 1946 has been completed at a cost of approximately $78,000.

Net earnings in 1947 totaled $168,082 ($105,275 in 1946) and net profit $76,583 ($46,614).

Outstanding capital at Dec. 31, 1947, consisted of 24,950 convertible preference shares and 35,050 common shares, no par value.

Guelph Yarns

Guelph Yarns Ltd. (formerly Guelph Carpet & Worsted Spinning Mills), a wholly owned subsidiary of Harding Carpets Ltd., manufactures worsted, weaving, machine and hand-knitted yarns

(Continued on page 28)

The best is always the most satisfactory

TURNBULL'S
CEETEE
PURE WOOL

UNDERWEAR

THE C. TURNBULL CO. LIMITED
GALT — ONTARIO

Established 1859

The only Manufacturers in Canada making Full Fashioned Underwear

STEEL FABRICATORS

Manufacturers of
Fabricated steel products, welded or rivetted, covering a wide range of industrial purposes. We specialize in tanks, breechings, elevator buckets, boiler and elevator casings, etc. We also manufacture products made from stainless steel.

If you have a special problem—or a routine job — send us your specifications. We can help you.

48 ABELL ST., TORONTO 3.

PLATE AND STRUCTURAL STEEL SALES LTD

COMMISSION
YARN DYERS and BLEACHERS
to the
CANADIAN
TEXTILE INDUSTRY

R. W. MATTHEWMAN & SON LTD.
TORONTO ONTARIO

Verney Corporation
Of Canada
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FABRIC BY VERNEY

Manufacturers of
DRAPERY MATERIAL . . . . FURNITURE COVERS
SWIM SUIT FABRICS . . . SHOE CLOTHS . . . RAIN-WEAR

Head Office and Mill: GRANBY, P.Q.
Sales Office: MONTREAL, P.Q.

A Canadian industry comes of age . . .

1926-1947

Twenty-one years since Canadian Celanese Limited broke ground for the foundation of their plant at Drummondville, Quebec.

Twenty-one years of development of the Celanese idea—of transforming that idea through modern machinery into products that satisfy human needs.

Twenty-one years in building a Celanese industry employing over 4,000 workers and paying over $6,000,000 in annual wages to Canadian workers.

Twenty-one years of research to discover new ideas—to develop new and useful products—new yarns for modern weaving and knitting—new fabrics that enrich our lives—new chemicals that enable modern industry to serve you better.

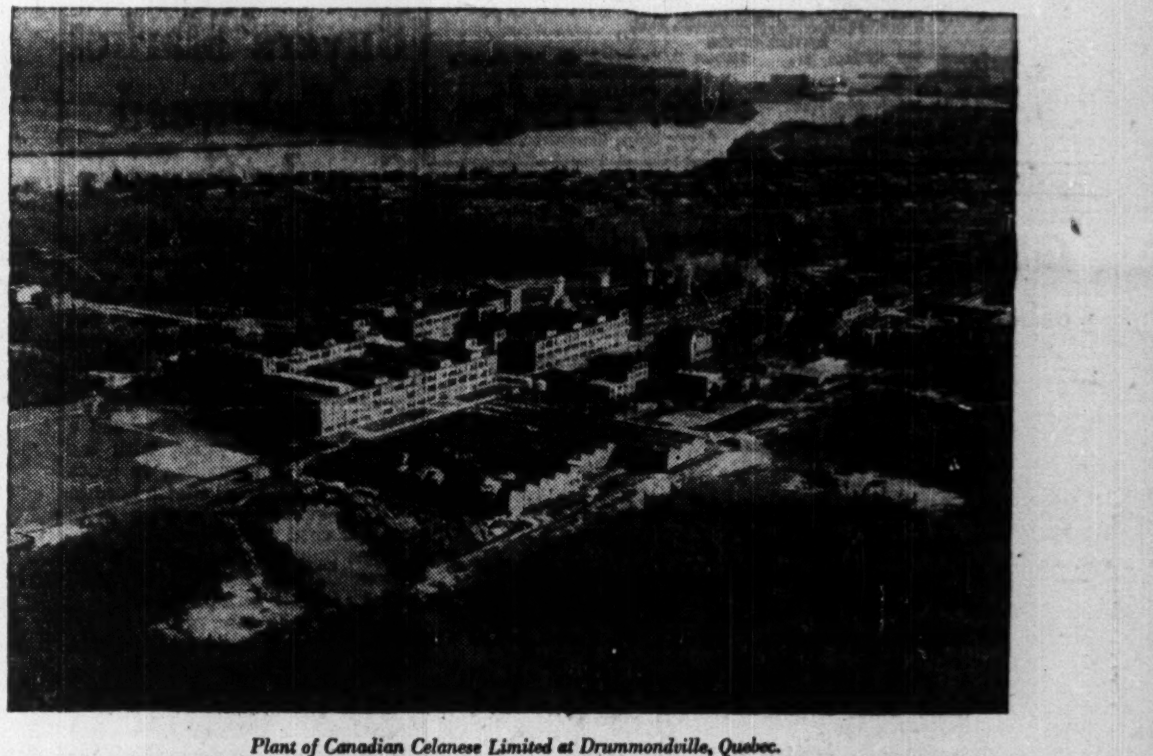
1948

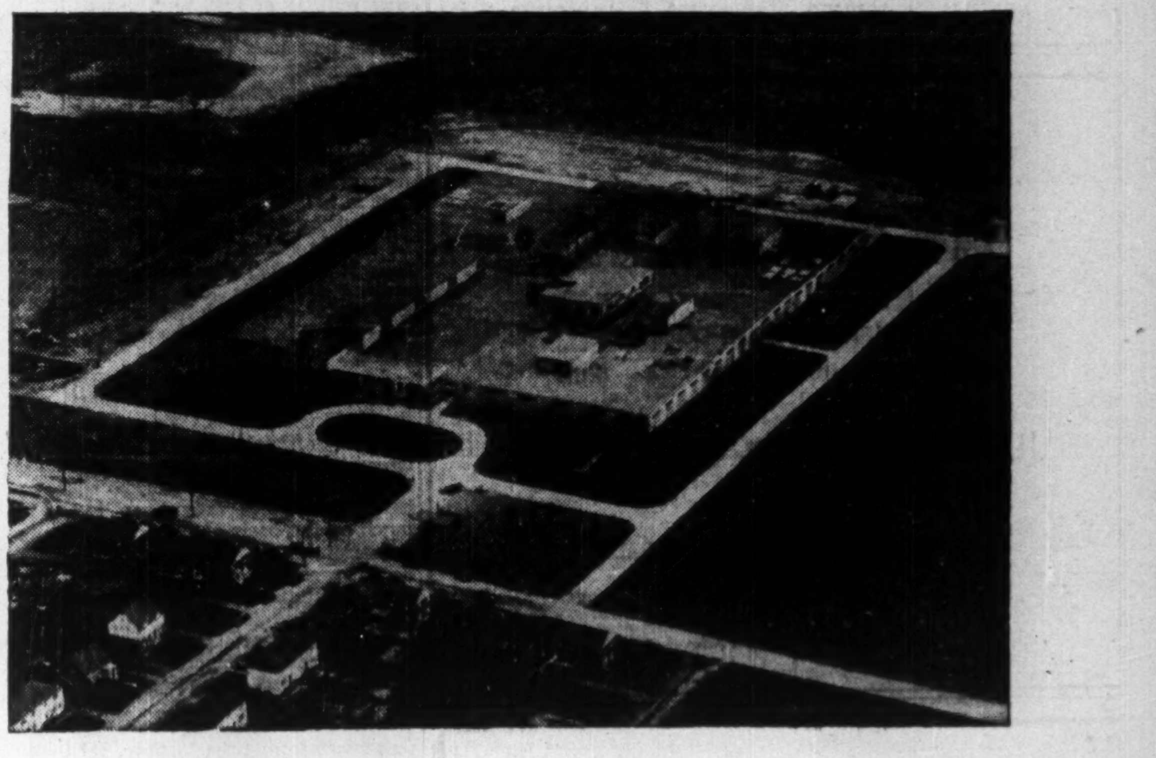
Employment at Drummondville increases to 4,200 paying at a rate of over $8,000,000. in annual wages.

Full Scale Manufacture of new products becomes a reality in the large new Celanese Plant at Sorel, P.Q., giving employment to over 400 workers, paying wages at an annual rate of over $750,000.

Canadian Celanese Limited has confidence in the industrial growth of Canada and in the prosperity of its people through the industrial development of an idea.

CANADIAN CELANESE LIMITED


Plant of Canadian Celanese Limited at Drummondville, Quebec.


Plant of Canadian Celanese Limited at Sorel, Quebec.

Celanese* textiles chemicals plastics

Dominion's Rayon Industry 'Grows Up' Can Now Fill Domestic Requirements

(Continued from page 24)

unlikely that the supply of continuous filament yarns will become easy until construction has been completed at Cornwall and mill machinery which was diverted during the wartime emergency is replaced.

Throughout the rayon industry, conditions appear settled although prices are bound to follow any marked increase in the cost of living, but to a lesser extent. Prices of viscose yarns made in Canada compare very favorably with prices reported from the various rayon producing countries throughout the world. This is especially true of any comparisons with present European prices and trends.

Laurentian Silk

Laurentian Silk Mills manufactures silk, wool, nylon and artificial silk piece goods at Cap de la Madeleine, Que. In 1946 it acquired the assets of Mason Spinning Mills with a plant at Cap de la Madeleine, which produces 30% of the company's spun yarn requirements. Laurentian also owns a plant at Drummondville which is leased to a subsidiary, Louis Roessel & Co. This latter company was also acquired in 1946.

Authorized capitalization of the company consists of $100,000 of $100 par value common shares of which $50,000 is outstanding. Outstanding common shares are owned or controlled by president A. W. Mason.

Silknit Ltd.

Silknit Ltd. is manufacturer and merchandiser of a wide range of products including broadwoven and knitted fabrics of cotton, wool and rayons for sale in the piece, and diversified lines of underwear, lingerie, sleeping wear, swim suits, housecoats, etc. It also manufactures knitted fabrics used in its garment manufacturing division and by its Canadian subsidiaries, and has the required woven fabrics manufactured on a commission basis. Some purchases are made from other fabric manufacturers.

Over 95% of the output of the company and its subsidiaries in Canada is sold in the domestic market, the balance in Newfoundland, British South Africa, British West Indies and other export markets. The company has plants in Toronto, New Hamburg and Sudbury, Ont. Subsidiaries, Cosmo Underwear Co. and Kismet Co., operate from leased premises in Montreal, Granby and Sorel, Que. Combined equipment of these subsidiaries includes about 500 machines and all the necessary accessory equipment for trimmings, cutting and maintenance. A wholly-owned subsidiary, Silknit Ltd. manufactures knitted piece goods in England for the local and export market. Australia Silknit Ltd. and its subsidiaries, with head office and main plant in Sydney, Australia are controlled by the Canadian company which owns all the outstanding common shares of Australia Silknit Ltd.

An issue of $1 million first mortgage bonds was sold in Aug., 1947, comprising private sale of $500,000 3% serial bonds due 1948-54 and public sale of $500,000 4½% sinking fund bonds due 1967.

Combined net earnings of the company and its subsidiaries in 1947 amounted to $1,054,699 ($1,084,032 in 1946). Net profit increased to $435,724 from $291,615. Of the total profit figure, $313,306 was earned by the Canadian company and subsidiaries, $40,020 by Silknit Ltd., England and $82,398 by Australian Silknit Ltd. and its subsidiaries.

Despite problems relating to increased prices and supplies of material and labor, it is anticipated that the increased rate of business will continue. Sales volume to date in 1948 is slightly higher than for the corresponding period last year, President M. H. Epstein reports. Inventories were higher at $2,550,497 at Dec. 31, 1947 ($2,107,015 a year before).

Riverside Silk

Riverside Silk Mills Ltd. produces and supplies silks, rayons and nylons used in the manufacture of ladies' underwear and hosiery. Plants are at Galt and Mitchell, Ont., the latter having 100 automatic nylon, silk fabric and spun silk looms. The company originally started operating its plant at Galt, Ont., in 1915 and began manufacturing broad silk in 1924. Garments or hosiery are not produced.

Net profit for 1947 was $108,347 after $39,416 depreciation and $56,441 income taxes ($124,018 in 1946 after $31,336 depreciation and $100,347 income taxes). An amount of $15,000 representing reduction in inventory reserve was added to profits in 1947.

Earnings for the first 1948 quarter, after taxes, were $31,500, against $22,300 for the corresponding quarter of 1947.

The new unit at Mitchell, Ont. has been producing at the rate of 400,000 yards annually since the end of 1947. The new weaving plant, together with increased production in spinning, will about offset higher operating costs which include substantial over-all wage increases, it was stated at the annual meeting. Inventories at the end of 1947 were valued at $215,419, an increase from $55,758 a year before.

D. McINTOSH

general manager of the Gore Insurance Co., Galt, has been elected Ontario vice-chairman of the Independent Fire Insurance Conference.

Buyers' Market As Pulpwood Supply Soars

MONTREAL (Staff) — A current surplus of market pulpwood has resulted in a drop in wood prices in Eastern Canada. As a result of the record 1947-48 cut of 10 million cords, pulpwood business is now in a buyers' rather a sellers' market, temporarily, at least. Prices said to range from $15 to $20 a cord for peeled wood, with the higher prices prevailing in areas close to the United States border. This is said to represent a $2 to $5 per cord price decline.

One pulpwood expert told The Financial Post that the pulpwood buyer is now in a position to say what he will pay, whereas this time last year the vendor set the price. This situation is reflected in increased exports to United States. According to the American Paper and Pulp Association U. S. import of pulpwood for the first quarter of 1948 totaled 558,936 cords, against 397,618 in 1947.

Just how long the present surplus position will remain depends largely on two factors, it is stated. (a) Volume of production in the 1948-49 pulpwood season; (b) continued record output from newsprint and paper mills.

It is believed that the over-all pulpwood supply position will not be clearly defined until the late fall. It is stated that the present cutting season is just now getting under way, with the heaviest cut coming in September and October.

At present, most paper mills have more wood on hand than they will use in 1948. While some company officials are said to feel uneasy when they look at the dollar value of inventories on hand, few think they have too much on the basis of current mill operation. This year inventories do not present a problem such as that encountered in 1938, it is stated.

It is emphasized, however, that the current pulpwood surplus does not affect Canadian paper mills to a large extent. While most mills buy some market pulpwood from time to time, the bulk of supplies comes from their own limits. Thus no one expects lower prices for wood pulp and paper as a result of the currently cheaper pulpwood—unless there is a prolonged period of surplus supply. Most vitally affected by the buyers' market it is said, are pulpwood exporters and open-market dealers.

If this year's record pulpwood cut is followed by a comparable supply in 1948-49, some pulp and paper men think the present and so-called temporary surplus might take on a more permanent look, if so, cheaper wood for mill operations would be available, it is thought.

TOWN OF LEASIDE, Ont. sold a new issue of $171,034.68 3% local improvement debentures maturing July 2, 1949, to 1958 to J. L. Graham & Co. and Fairclough & Co. Price was $99.549 or a cost basis to the municipality of 3.09%. The two next highest bids received were within 3c per $100 of the successful tender.

Bruck Mills Planning Split Three For One

MONTREAL (Staff)—Directors of Bruck Mills have passed a bylaw providing for splitting of the common stock of the company on the basis of three new shares for one old. It is proposed to divide the present 150,000 shares of authorized no-par-value common stock into 150,000 class A shares n.p.v. and 300,000 class B shares, n.p.v.

Holders of the outstanding 125,000 common shares will receive one class A and two class B shares for each share now held. A special shareholders' meeting is called for July 12 to approve the bylaw.

Class A shares are entitled to a fixed cumulative preferential cash dividend of $1.20 per share yearly, payable quarterly. Class B shares are entitled to dividends at the discretion of the board of directors after dividends have been paid on the Class A shares. Dividends on the class B are not to exceed 60 cents a share yearly. After payment of $1.20 on the Class A and 60 cents on the Class B, both classes of stock are to share equally, share for share alike, in any further dividends declared.

No dividend rate on the proposed new Class B shares has been set yet and this will be dealt with by the directors after the special shareholders' meeting, it is stated. A company official informs The Financial Post that earnings of the company are at present running substantially in advance of those for the corresponding period in 1947.

Class A shares are non-voting unless dividends are in arrears and unpaid to the extent of $2.40 per share, when each Class A share is entitled to one vote. Class B shares are entitled to one vote per share.

The remaining 25,000 class A and 50,000 class B shares unissued will be held in the company treasury and may be issued from time to time at the discretion of the directors.

Hinde & Dauch Production Holds

Although demand for products of Hinde & Dauche Paper Co. softened during the first half-year period, the company has been able, so far, to maintain production at last year's levels, Vice-president and General Manager L. F. Winchell states in a letter to shareholders. "Unless added disruptive factors occur, which we do not now foresee, we should be able to finish out the year with perhaps a little higher tonnage record than in 1947," the letter states.

Costs have increased considerably during the period on just about everything important to operations—pulp, paper stock, freight, coal and labor—and, to date, the company has taken no relief through increases in the selling prices of major production of boxes and container materials.

The program of equipment betterment at established plants is progressing satisfactorily, and the new plant at Chatham is beginning to take shape, although a little behind schedule on account of weather conditions.

POINTE CLAIRE has sold $122,500 of 3% serial 15-year bonds at 98.11 to a syndicate comprising Banque Canadienne Nationale and Casgrain & Co. Net cost will be 3.2026%.

- Textile Machinery
- Knitting Machinery
- Sewing and Cutting Machines
- Parts, Supplies and Services
- Fine Yarns — Rayon Mercerised, Dry Spun
- Paper Cones and Tubes
- Water Rectification — Humidification

OVER 33 YEARS OF SERVICE AND SALES TO THE TEXTILE INDUSTRY

Working closely with the textile industry for thirty-three years has given the Westaway organization a practical insight into the needs of textile manufacturers and converters.

In order to serve the industry efficiently, the W. J. Westaway Company brings together under one roof, scattered and varied sources of yarns, machinery and supplies.

Trained and experienced Westaway textile specialists work with you to smooth out the everyday snags in production.

WESTAWAY
HAMILTON CANADA
TORONTO MONTREAL WINNIPEG

Dupont Textiles Limited
TORONTO

Manufacturers of
MEN'S SUITINGS
WOMEN'S DRESS GOODS
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BATHING SUITS

Sales Offices & Representatives
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Wardell Agencies Ltd. Mercantile Bldg., Vancouver, B.C.
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Robert D. Leaper & Co., 205 Canada Bldg., Winnipeg, Man.
G. H. Morency, 210 Edifice Blvd., 400 Boulevard Charest, Quebec, Que.
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Somewhere
the training will fit...

Creative training . . . from this first simple eager step will grow an appreciation, a realization, of the capabilities and potential of man.

Somewhere in the pattern of life this first valuable training will fit.

From Shawinigan's first step and its more than thirty years of training, research and pioneering devoted to industry's needs, has grown the great and versatile chemical company, with its fine record of achievement, as it exists today.

CONSIDER SHAWINIGAN
Largest producer of calcium carbide in the British Empire.
First on this continent . . .
1. To produce synthetic acetic acid;
2. To produce synthetic acetic anhydride by direct oxidation;
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* * *

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Hydrated Lime — Burnt Lime
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SHAWINIGAN

SHAWINIGAN CHEMICALS LIMITED
Head Office: P.O. Box 6072, Montreal, Que.
Plants: Shawinigan Falls, Que.

Converters Report Good Product Demand With Some Firms Expanding Facilities

Ayers Ltd.

Ayers Ltd. is one of the oldest and largest manufacturers of textile supplies for the pulp and paper industry in Canada. In its Lachute, Que., mills the company manufactures pulp and paper makers' felts, cotton and asbestos drier canvas and transmission rope. In addition the company has piece goods and blanket division. Tweeds, polo cloth, overcoatings, etc., are the important products from the piece goods mill. The company manufactures wool blankets, traveling rugs, etc. for domestic and outdoor use and blankets for machine clothing, printing and stereotyping.

Established in 1870, Ayers Ltd. is a privately owned company. President is Gilbert E. Ayers and vice-president Leonard F. Ayers. The company employs 600 to 700 workers.

Can. Converters

Canadian Converters' Co. has completed a program of modernization of buildings and plants which cost a total of $895,718 over the past four years. The company directly and through a number of wholly-owned subsidiaries manufactures shirts, pyjamas, juvenile apparel, work clothing, dresses, blouses and lingerie. The textiles are not woven but are purchased and converted into apparel.

Company operations in recent years have expanded materially with purchase of seven Montreal companies in 1945 through issuance of 17,335 class B shares and $383,158 in cash. Company's products are sold throughout Canada and exported to the West Indies and Newfoundland.

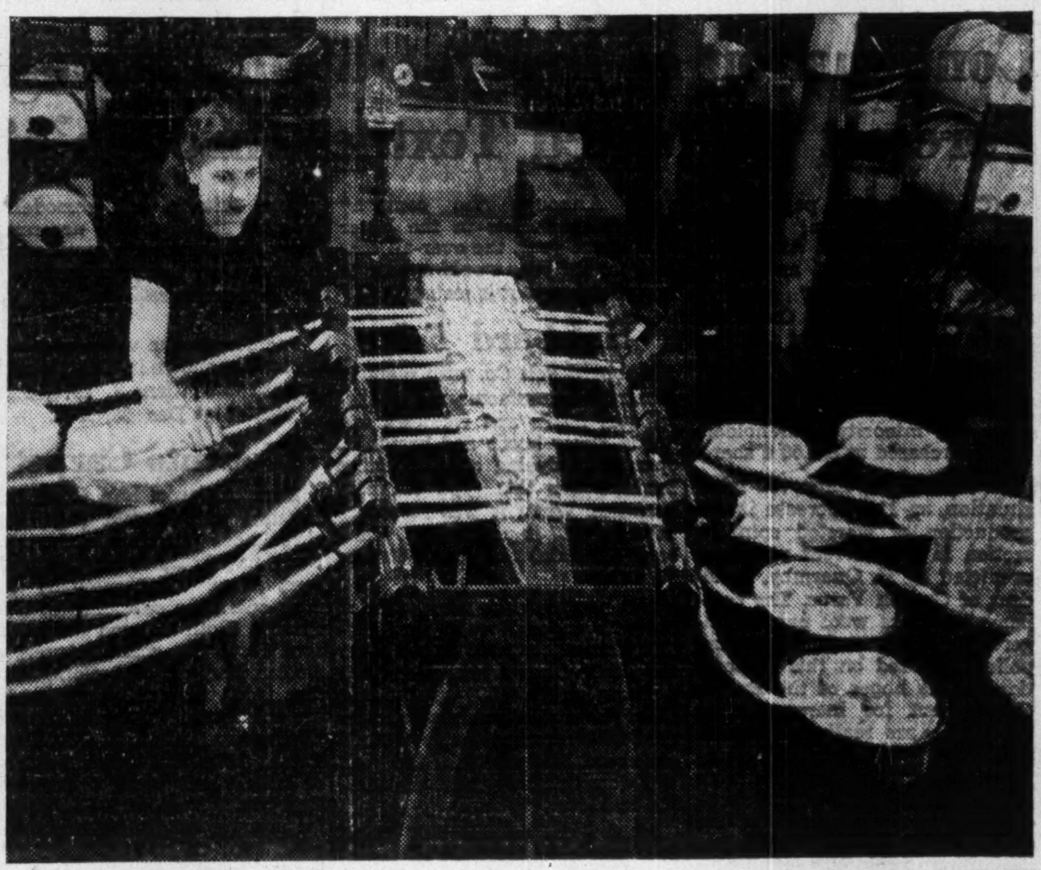
Net earnings for the year ended April 30, 1948, were slightly lower at $534,508 ($541,320 in 1946-47). Net profit, however, increased to $377,469 from $330,662 the previous year.

Funded debt of the company has been reduced to $300,000. In addition to retiring $50,000 3% serial bonds on March 1, $150,000 3½% serial bonds due March, 1949-51 were redeemed at 101.

Curtailment of the importation of fabrics from United States to 32% has led to a somewhat confused textile picture. Increased inventories resulted ($1,122,544 at April 30, 1948; $656,364 at April 30,1947), due to necessity of purchasing higher priced fabrics from the United Kingdom. The management is making every effort to keep its inventories in a satisfactory position consistent with sound manufacturing and merchandising policies, the annual report states. However, while there may be an adequate supply of certain textile fabrics, there is still a scarcity of the cotton fabrics which the company required in the manufacture of the greater portion of its lines.

Demand for company products continues in satisfactory volume, although some resistance has developed in some higher priced lines.

Company's main plant is at Montreal. Another building in Montreal was sold by the company in 1947 for $179,000, and a long-term lease was arranged with the city of Shawinigan Falls, Quebec, whereby the company occupies over 35,000 square feet in a building just completed. Production of this plant will augment that of the main Montreal factory. Sales offices are maintained in Saint John, Montreal, Toronto, and Vancouver.



Cotton slivers pass through the "drawing frame" for reduction in size. While almost wholly dependent on imported raw cotton for basic material, Canada's cotton-processing industry has shown remarkable growth, and is holding its wartime gains.

Fibre Prod. of Can.

Fibre Products of Canada Ltd. is engaged in the manufacture of seat cushions, arm rests, glove boxes, trunk rugs, and other similar accessories for automobiles and trucks. The company also manufactures pads for underneath rugs, fillings for mattresses and other upholstering materials. Main products are made of cotton, jute and hair "Hairlok", a rubberized hair product used in upholstering, is manufactured under license from the Molded Hair Company Ltd. of London, Eng.

A new issue of $100,000, 3½% first mortgage bonds, due $20,000 annually 1949-53 was sold privately at par early this year. Purpose of the issue was to retire first mortgage on Windsor property amounting to $77,500 at Dec. 31, 1947, and to provide funds for retirement from time to time of outstanding preferred stock. Outstanding share capital at April 15, 1948 consisted of $124,400, 5% preferred stock, $10 par and $64,000 npv common shares. The company has agreed to the sale of an additional 2,000 common shares under a managerial profit-sharing plan.

Sales for the first seven months of the fiscal year ending June 30, 1948, were reported at $932,000 as against $523,000 for the same period in 1946-47. Barring any production restrictions in the automotive industry, the company expected that sales for the 1947-48 fiscal year would be highest in its history.

Inventories at Jan. 31, 1948, stood at $111,254 ($135,914 at June 30, 1947). The net profit for the fiscal year ended June 30, 1947 amounted to $29,358, equal to $1.39 per share on the preferred and 30 cents per share on the common stock.

Plant consists of a two-story building on about seven acres of land in Windsor, Ont. The company also owns another building in Windsor which is leased to another company.

Holden Mfg.

The Holden Manufacturing Co. is engaged in the manufacture of clothing, sporting goods, lumbermen's and contractors' supplies, tents, tarpaulins, sleeping robes, flags and a wide range of essential commodities. It operated under the name of S. S. Holden Ltd., from May, 1936, to 1947. Prior to that it had been known as Grant, Holden, Graham Ltd., incorporated in 1911.

The company owns two large and modern factories, one in Ottawa, the other in Hull. Branch or district offices are maintained in many of the principal cities of Canada.

Net earnings for the year ended Jan. 31, 1948, were $192,196 ($149,480 in 1946-47), net profit $92,644 ($63,412). Inventories increased to $390,632 from $227,530.

Outstanding capital at Jan. 31, 1948, consisted of 30,135 Class A shares, npv, which are entitled to a cumulative preferential dividend of 60 cents per share per annum and rank share for share with the 50,225 Class B npv shares in further dividends declared in any years in excess of 30 cents per share on the Class B shares.

Tooke Bros.

Tooke Bros. Ltd., manufacturers of shirts, collars, neckwear, pyjamas and underwear, operates a plant at Montreal. Its wholly owned subsidiary, United Paper Box Co. Ltd., manufacturers handkerchiefs, paper boxes, etc.

Net profit for 1947 amounted to $111,687 ($118,893 in 1946). Goodwill, previously shown at $323,785, was written down in 1947 to $1. Fixed assets were revalued to more truly reflect the depreciated values, based on an appraisal taken as at Feb. 27, 1943. Land, buildings and machinery were shown at $648,587, after $192,887 depreciation reserve, as at Dec. 31, 1947; comparable figures as at Dec. 31, 1946, were $293,353 after depreciation reserve of $447,693. Charges for depreciation have been increased so that the fixed assets will be written off over a reasonable expectancy for their useful life. Additional charges for depreciation were $28,725 for the years 1943 to 1946, and $5,811 for 1947.

Value of inventories rose to $1,163,031 at Dec. 31, 1947, from $752,558 at the end of the previous year.

The manufacturing plant, located at Montreal, is a four-story mill construction factory having approximately 160,000 sq. ft. of floor space. In addition, the company has branches at Toronto, Winnipeg and Vancouver and permanent sample rooms at Halifax, Saint John, N.B., Quebec, Ottawa, London, Calgary, Saskatoon and Victoria.

Woods Mfg.

Woods Mfg. Co. is continuing its program of modernization and plant extension. A new plant at St. Lambert, Que., is being brought into production to manufacture jute and cotton bags and multi-wall sack paper bags. A program of improvements to the Welland mill is being reflected in higher operating efficiency, and it is planned to put this mill on a three-shift operation basis as soon as a sufficient number of employees can be had. Capital expenditures on the company's plants are expected to total $850,000 in 1948, cost $1,888,519 in 1947.

The company manufactures and sells jute and cotton cloth bags, burlap, tents, flags, tarpaulins, heavy clothing, sleeping bags, paddings and twine. It owns and operates a cotton mill at Welland, Ont.; bag manufacturing plants at Montreal, Toronto and Winnipeg; and a factory for manufacturing lumbermen's and contractors' tents, clothing and supplies at Hull, Que. An offer by the Dominion Government for the expropriated Hull property was turned down during the year and according to the president, compensation will now have to be determined by the Exchequer Court. The company also operates a plant at Ogdensburg, N.Y.

A new Winnipeg company, Woods-Dryden Paper Bags Ltd., brings together the operations of Woods Mfg. Co. of Winnipeg and Dryden Paper Co. in the paper bag field. The new company will manufacture grocery bags, notion and millinery bags, shopping bags, duplex and triplex bags, formerly produced separately by Woods Mfg. and Dryden Paper.

The jute and cotton bag division was extended by the opening of a new branch at Calgary in February.

Increased production and sales in 1947 led to an increase in operating profit to $1,441,343 ($1,229,696 in 1946) and net profit of $336,984 ($302,611 in 1946). Provision in 1947 of $305,003 for inventory reserve ($146,257 in 1946) left inventory reserve of $1,000,000 as at Dec. 31, 1947. Inventories were valued at $3,205,111 at the end of 1947 ($1,795,293 at Dec. 31, 1946).

An issue of $1,000,000 3¾% 15-year first mortgage serial bonds dated Jan. 2, 1948, has been sold to Sun Life Assurance Co. of Canada at par.

Towards the close of 1947, a reduction in the demand for jute and cotton bags was experienced and it is difficult to make any forecast as to how far this trend may go, or how long it may last, it was stated in the annual report.

ASSOCIATED TELEPHONE & TELEGRAPH CO. reports that it has recently purchased for retirement and cancellation 240 shares of the 7% first preferred stock and 1,114 shares of the $6 first preferred stock.

ESMOND MILLS announces the resignations of R. R. West, president; Boughton Cobb, vice-president; Gerald Whitman, treasurer. Replacing them are Royal Little, president; Marshall Rawle, vice-president; Charles H. Dyson, treasurer.

CAP DE LA MADELEINE has sold $120,000 of 3%-3¼%-3½% serial 15-year bonds at 99.04 to a syndicate composed of Paul Gonthier & Co. and Banque Provinciale du Canada. Money will cost a net average interest of 3.5054%.

PINATEL PIECE DYE WORKS
LIMITED
Joliette
Quebec

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by Dominion Woollens
18-47

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SPINNING MILLS
COMPANY
producers of
SPUN RAYON
and
BLENDED YARNS
SINGLE AND PLY
DYEING ON CONES AND TUBES
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CANADIAN WORSTED MANUFACTURING
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QUALITY WORSTED YARN
FOR MACHINE AND HAND KNITTING
Head Office and Sales, 137 Wellington Street West,
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Mill: St. Thomas, Ontario.

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Registered
ESTABLISHED 1902
Manufacturers of Quality Hosiery
for Men, Women and Children
The Chipman, Holton Knitting Co.
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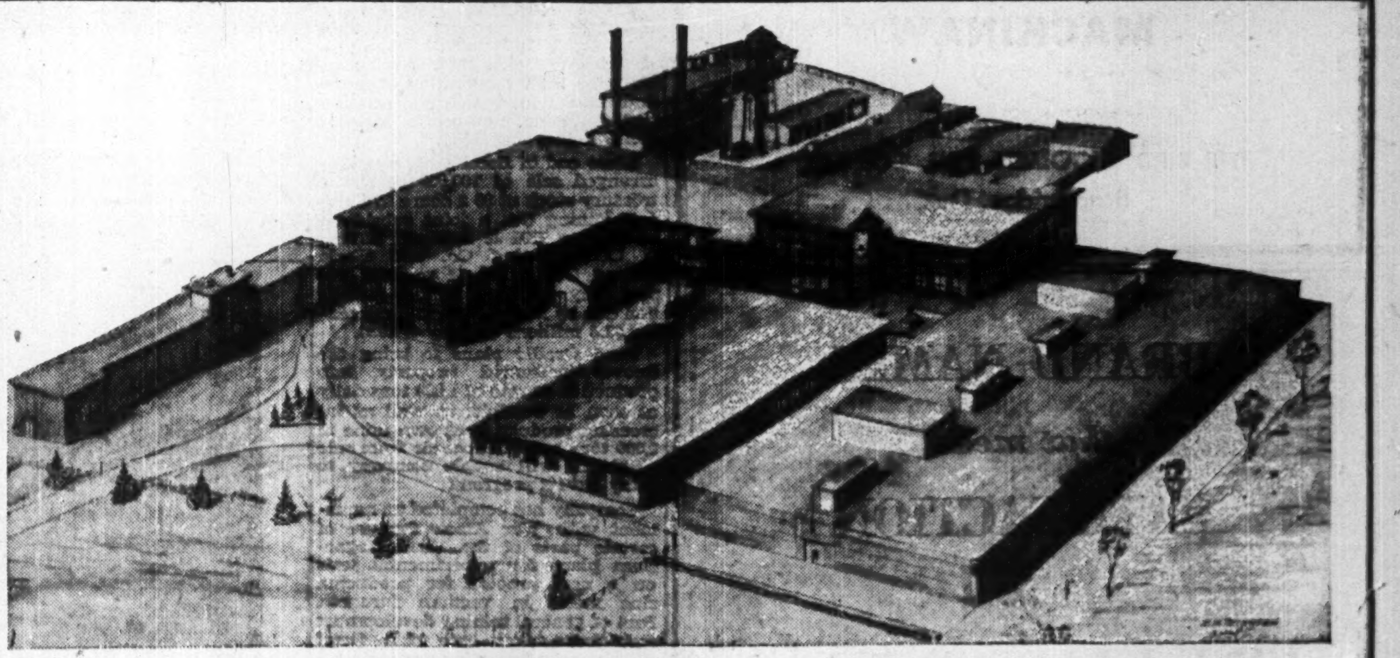
HAMILTON : ONTARIO



Setting the Pace
IN SYNTHETIC TEXTILE MANUFACTURE

The rapid growth of Canada's textile industry is evidence of readiness to accept the challenge of opportunity.

A strong spirit of enterprise and initiative has opened up new markets. Application of technical knowledge has created an ever-widening acceptance and demand for the wonders of synthetic textile science.

Associated Textiles of Canada Ltd. — as a thriving centre of Canada's textile industry, has played a large part in this significant growth. First established in 1930 at Louiseville, Quebec, Associated Textiles has experienced phenomenal growth, until it is now one of the largest producers of synthetic fabrics in Canada.

Possessing complete facilities for spinning yarns, weaving, dyeing and finishing fabrics, this company maintains a large design printing plant.

Associated Textile fabrics, represented by the well-known trade names COHAMA, AMERITEX and A.T.C., are second to none in quality and design. Their versatility gives them wide acceptance in all important fashion centres. Their fame and reputation is already finding a place for them in markets throughout the world.

For all that's new in synthetic fabrics — in rayon crepes, spun or spun mixtures with wool, acetate or cotton . . . for all Nylon fabrics . . . for newest fashion designs or for wide general utility fabrics — leadership points to Associated Textiles.

ASSOCIATED TEXTILES
OF CANADA, LIMITED
UNIVERSITY TOWER MONTREAL, QUE.
Operating Divisions of Cohama, Ameritex, A.T.C.

CANADA SPOOL & BOBBIN CO. LIMITED

WALKERTON ONTARIO

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Manufacturers of high grade textile spools and bobbins and accessories for the past forty-five years.

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ACCURACY OF CONSTRUCTION
UNIFORMITY OF DIMENSIONS
FAMOUS FOR RUNNING QUALITIES

**WOOL
NOILS
WASTE**

S. GODFREY LIMITED

49 Front St. East
Toronto, Ont.

Telephone Adelaide 3464-5-6

ARVIDA has sold $500,000 of 3% serial 25-year bonds at 97.6 to a syndicate composed of A. E. Ames & Co., Royal Bank of Canada and Geoffrion, Robert & Gelinas. Money will cost the municipality a net average interest of 3.217%.

ALUMINUM CO. OF CANADA advises that it has purchased an additional 550 shares of 4% redeemable preferred stock for the sinking fund account, leaving 575,154 shares outstanding.

BIRD'S

MOTH PROOFED
PURE WOOL **BLANKETS**
HEAVY TWEEDS
MACKINAW

Manufactured by
THE BIRD WOOLLEN MILL CO. LTD.
Bracebridge, Ont.

BRAND NAMES
that mean
SATISFACTION
in
FINE KNITTED WEAR

•

Harvey Woods
Underwear and Hosiery

•

Zimmerknit
Underwear, Outerwear and Hosiery

•

Products of
YORK KNITTING MILLS, LIMITED
Head Office: 70 Crawford Street, Toronto

Continuation of Record Output, Earnings Forecast for Mixed Textiles Through '48

(Continued from page 25)

and Saxony, Wilton, Brussels, broadloom, Jacquard, Axminster, tapestry, automobile and other carpets. The company operates two plants at Guelph, Ont. Control of the company was acquired by Harding Carpets in October, 1941 and complete ownership on Oct. 29, 1944, when the remaining shares of minority shareholders were purchased at $20.50 a share.

In view of the improved labor situation, an 11% increase in the production of worsted spinning section in the current year was predicted by H. Quarmby, president of Guelph Yarns. The company considers wool prices dangerously high and its buying policy is based on this assumption. If the hopes of the British Government for increased tops production are realized, it is expected that, added to the quantity which will be available from Canadian and Australian production, the requirements of the Canadian trade will be met. Reimposition of the duty on all tops entering Canada from the United States has, in effect, shut off that source.

A total of $367,000 3¼% serial debentures due Jan. 2, 1949, are outstanding.

Harding Carpets

Harding Carpets Ltd., which manufactures carpets and rugs at Brantford, Ont., specializing in Axminster and Wilton rugs.

Sales have remained at a high level due to a demand greater than supply, but the company expects increased imports from England and India will use up to a great extent the backlog of demand created during the war.

Considerable equipment has been installed, consisting mainly of looms and additional carding, spinning and twisting machinery. New looms are in operation for carpets up to a width of 12 ft. The company anticipates that the effect of this new machinery will be felt in the latter half of this year in increased production.

Inventories which showed a dollar increase of $160,723 to $1,830,212 as at October 31, 1947, were actually lower in physical quantity. Due to the high price of carpet wools and wool tops, every effort is being made to keep the inventories as low as possible, consistent with good production. Reserve against possible inventory price decline totaled $503,050 at the end of the last fiscal year.

Consolidated net profit of Harding Carpets and its subsidiary, Guelph Yarns Ltd., totaled $285,857 in 1946-47 after providing $148,667 for inventory reserve, compared with $179,400 ($14,581 provision for inventory reserve) in 1945-46.

Sales for the seven months ended May 31, 1948, were 33% higher than the same period last year. Although the company faces higher costs in the latter half of the year, the over-all outlook for the year would appear to be satisfactory, it is stated.

Hubbard Felt

Hubbard Felt Co. with plant in Montreal, manufacturers and distributes men's and women's felt hoods, straw hoods and braids. It operates a dyeing and bleaching business for this type of merchandise. When it was incorporated in 1937 it acquired S. Hubbard (Canada) and Anglo-Italian Felt Co.

Net profit of the company for the year ended Nov. 30 was $62,419. This represented earnings on the 12,500 Class A shares of $4.99 a share; on the 7,500 outstanding Class "B" of $5.82 a share; and on the 30,000 common shares of $1.08 per share. Net profit for the year was down slightly from the $64,164 in 1946.

At the end of the 1947 fiscal year the company showed working capital of $300,100 and total assets of $602,745. Inventories were $258,468 ($219,575 at Nov. 30, 1946).

Dividends on the Class A and Class B stock at the rate of $1.50 a year have been paid regularly since June, 1946, at the time of a change in capital structure. Dividends on the common are at no set rate but 25 cents a share was paid in 1947 and 50 cents in 1948.

Lewis Ltd.

Lewis Ltd. has just completed a new $500,000 addition to its plant at Truro, N.S. The company manufactures ladies' full-fashioned hosiery, men's hats and other textile items, including a large variety of knitted goods, both cotton and woolen material for both men and women.

Lewis Ltd. has an agreement with Merimac Hat Co. (U.S. concern) whereby Merimac (Canada) Ltd. produces products of the U.S. company in Canada. Merimac is understood to be jointly owned by the U.S. firm and Lewis Ltd.

Operation of the new Truro addition on a capacity basis is expected to boost output materially. About 50% of the plant is operating by one shift with a second shift expected to start shortly. The combing and carding divisions of the business have been moved into the new building.

Tip Top Tailors

Tip Top Tailors Ltd., manufacturers and distributors of made-to-measure and ready-made men's and women's fine clothing, sells through its 51 stores and over 2,100 agencies in Canada. The company also carries on business by direct mail.

Net profit for 53 weeks ended Jan. 3, 1948 totaled $327,890 ($317,762 for the 52 weeks ended Dec. 28, 1946). Non-recurring profits from sale of investments amounted to $26,480 in 1947 and $45,667 for the year before.

A high level of demand for the company's products continued through 1947. Improvements were made to plant and stores and further improvements are contemplated as the availability of building materials and costs permit. Two new store properties were acquired during the year and two store locations no longer required by the company were sold.

Since the war ended, Tip Top Tailors has followed a policy of establishing new retail outlets where suitable and remodeling existing stores where necessary. They have also made considerable headway in the introduction of made-to-measure clothing for women.

Increase in the value of inventories was shown in 1947, rising to $2,453,253 at Jan. 3, 1948, from $2,097,242 at Dec. 28, 1946.

Toronto Carpet

Toronto Carpet Mfg. Co. manufactures carpets and rugs, sold throughout Canada under the trade name "Barrymore Guaranteed Rugs." The company has four operating subsidiaries: Barrymore Cloth Co. and Campbellford Cloth Co., manufacturers of woolen and worsted cloth, knitting and weaving yarns which are sold under the trade name of "Barrymore Cloth"; J. Henry Peters Mfg. Co., manufacturers of ladies' and men's underwear; Barrymore Furniture Co., manufacturers of upholstered furniture.

An over-all sales increase was shown in the first six months of 1948, and sufficient orders are on hand to maintain capacity operations for balance of the year, the company states. Actual production is dependent largely on the labor supply, experienced help remaining in relatively short supply.

Toronto Carpet operates large plants in Toronto and J. Henry Peters Mfg. Co. and Barrymore Furniture share a building in Toronto. Barrymore Cloth maintains plant facilities in Toronto and at Pembroke, Ont., while Campbellford Cloth Co. operates a plant at Campbellford, Ont.

Financial statements are not made available for publication. The 4% first-mortgage bonds, totaling $239,000 previously outstanding, were retired late last year.

Verney Corp.

Verney Corporation of Canada (formerly, Verney Mills of Canada), with plant at Granby, Que., manufactures novelty fabrics. These include draperies, furniture coverings, swim suit material, shoe cloths, rainwear, and a variety of materials going to the corset trade. Additions and improvements to the mill started in 1946 were completed last year. The company now has its own spinning facilities in addition to its weaving and dyeing capacity.

Proceeds of an issue of preferred shares made in 1947 permitted retirement of the outstanding first mortgage bonds and a further improvement of the working capital position. Capitilization of the company now consists of 30,000 authorized 4½% cumulative redeemable preferred shares of which 20,000 shares are outstanding and 72,000 authorized common shares of which 66,000 are outstanding. All the outstanding common shares are owned by Verney Corp., of Boston.

Net profit of the company in 1947 was $75,905 which represented earnings on the preferred of $3.80 per share and 47 cents per share on the common. During 1947 the high quality yarn required in the company's operations was in short supply but the company stated that there was no lowering in the standard of the quality of the fabrics manufactured. A good demand for the company's products is anticipated throughout 1948.

Inventories at Dec. 31, 1947, stood at $712,920 ($484,834 at end of 1946).

COMPANY REPORTS

PEND OREILLE MINES & METALS CO. production revenue increased $117,391 to $911,059 in year ended April 30, 1948, and, after charging higher operating expenses and taxes, increased depreciation, and depletion, net profits finished 47.4% higher at $78,547.

Since end of fiscal year, company arranged sale of 700,000 shares of treasury stock at $5 a share to Sullivan Mining Co., a joint subsidiary of Bunker Hill & Sullivan Mining & Concentrating Co. and Hecla Mining Co. Initial $1 million was paid May 4, with a further $1 million due by May 4, 1949, and remaining $1.5 millions by May 4, 1950.

Pend Oreille plans to bring the Reeves-MacDonald property into production at rate of 1,000 tons daily as soon as possible, as well as increasing production at own mine to 2,000 tons a day. Proceeds from sale of shares will enable company to carry out its program.

Company has completed an agreement with War Assets for use of certain parts of the Mead Magnesium plant for experimental tests on a new process for producing zinc metal in vacuum furnaces. Part of general mining development costs were taken care of in fiscal year by an exploration premium received from the Government.

INCOME ACCOUNT

Years Ended Apr. 30:	1948	1947
Net ore sales	$911,059	$733,668
Add: Misc. income	34,592	45,003
Less: Exp.	635,017	564,461
Depr. & depl.	183,929	128,245
Income tax	48,158	32,676
Net profit & surplus	78,547	53,289
Earnings per Share	$0.047	$0.032
Paid	nil	nil

CONDENSED BALANCE SHEET

As at Apr. 30:	▪1948	1947
Cash, smelter recs.	$1,838,092	$711,337
U. S. Govt. bonds	75,000	83,000
Accts. rec.	9,306	9,339
Mat. & supplies	66,285	53,121
Total curr. assets	1,988,683	856,797
Rec. from Sullivan	2,500,000	......
Deferred chgs.	16,398	5,584
Invests. & advs.	678,049	598,655
Claims & props.†	1,615,809	1,710,882
Plant & equip.*	500,939	501,543
Total assets	7,299,878	3,673,461
Accts. & tax. pay.	122,843	60,018
Payroll accrued	......	14,955
Total curr. liab.	122,843	74,973
Capital stock	2,388,136	1,688,136
Capital surplus	4,694,020	1,894,020
Earned surplus	94,879	16,332

*Less depreciation. †Less depletion.

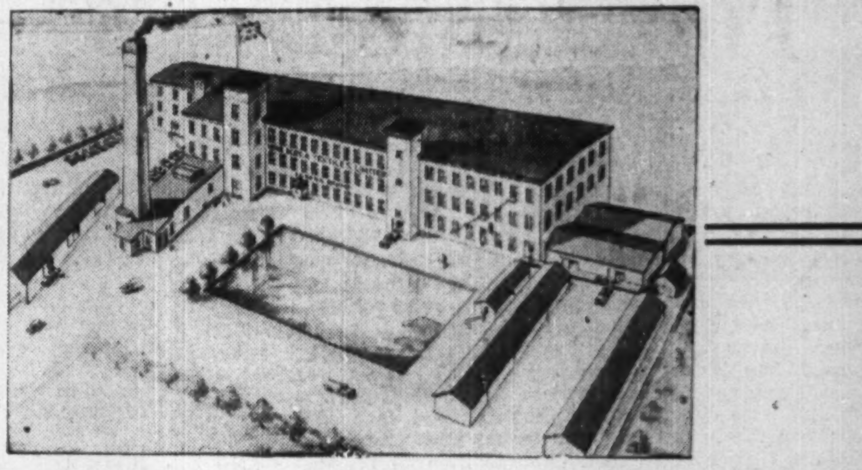
	1948	1947
Working capital	1,865,840	781,824

▪After giving effect to sale of 700,000 shs. at $5 on May 4, 1948.

OPERATING STATISTICS

	1948	1947
Tons milled	123,751	117,342
Content, lbs.:		
Lead	4,421,762	1,980,479
Zinc	7,267,995	6,605,422

T. G. Bright & Co. has extended and brightened its annual report for the year ended March 31, 1948. It has included a supplement that describes the company's vineyard research project and covers sales, taxes, operations, vineyards, new wines and wine brands. The art work is attractive and effective.



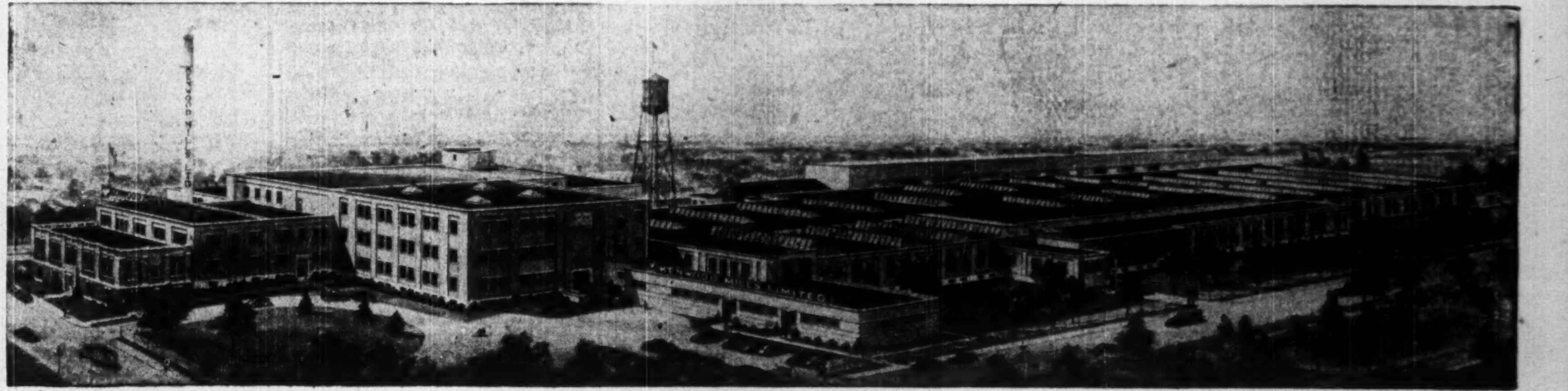
YOU will be glad to know that Windsor-Wear — "the Aristocrat of Underwear" — and Evangeline Undergarments are now catching up on their civilian customers as best they can during the difficult transition period between total war and absolute peace.

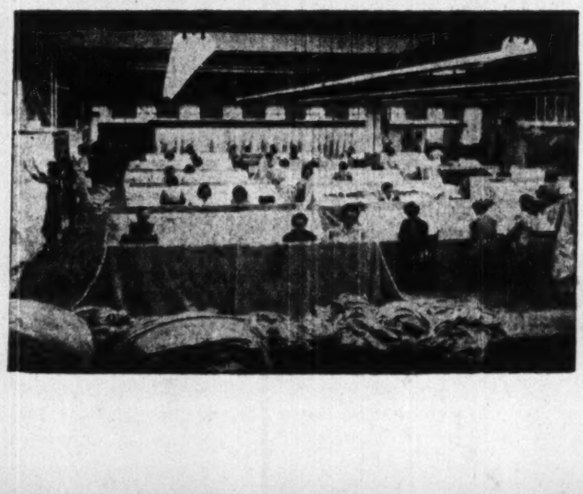
NOVA SCOTIA TEXTILES LIMITED
WINDSOR • NOVA SCOTIA

A family affair!

Canadian Converters dresses them all, from baby on up! From the daintiest lingerie to the toughest work-shirt, Canadian Converters makes lasting clothes that are well-styled and well-finished. Three generations of experience and skill have made clothes by Canadian Converters an integral part of the Canadian tradition.

THE CANADIAN CONVERTERS' COMPANY, LIMITED
1643 DELORMIER AVENUE MONTREAL, CANADA





KENWOOD MILLS—Arnprior

EXTERIOR view of the Kenwood plant (above) includes the new employees' section (centre front) which alone covers approximately 4,000 sq. ft.

INTERIOR views show (1) Weaving room and large looms upon which Kenwood paper makers' felts and blankets are woven; (2) The process of joining paper makers' wool felts.

KENWOOD MILLS are working to capacity . . . geared to meet the public's ever-growing demand for more and more paper makers' felts, jackets, tanners' wringer sleeves, blankets and other wool fabrics. The reputation for quality products enjoyed by the Company is a tribute to the hard work and extreme loyalty which has always been shown by KENWOOD employees.

KENWOOD MILLS LIMITED
Arnprior, Ontario

KENWOOD
WOOL PRODUCTS

The Financial Post Statistical Record of Textile Companies

Unless otherwise stated the year taken is this calendar year; net earnings, the amount available for depreciation, bond interest, write-offs and taxes, after all expenses; total income taxes, the gross amount of income taxes including refundable portion, if any; net profit is shown on a "retained" basis after total income taxes as defined; surplus for the year is the balance of "retained" net profit after dividends provided for the year; total refundable portion is the accumulated total to the end of the latest fiscal year shown

Company	Year	Funded Debt $	Net Earnings $	Deprec. $	Total Inc. Taxes $	Net Profit after Total Taxes $	Earnings per Share Pref. $	Earnings per Share Common $	Dividends Pref. $	Dividends Com. $	Surplus for Year $	Working Capital $	Total Refund. Portion $	Officers and Directors
ACME GLOVE WORKS	1947	......	......	15,505	136,597	157,542	4.98	2.10	1.00	0.50	76,707	1,174,138	86,835	Alphonse Lepine, pres. & man. dir., Montreal; H. D. Dwyer, vice-pres., Hudson, P.Q.; O. B. Thornton, E. Lavoie, A. E. Clarke, G. B. Foster; Montreal; W. Burke, Joliette, P.Q. Sec.-treas.—C. H. Dawson.
	1946	......	307,453	14,214	150,223	143,016	4.40	1.83	*0.50	nil	87,665	1,100,702	86,863	
*Pd. on new pref.; on old 6½% pref. accrued divd. of $2.71 pd. on redemption June 1, 1946.														
							A	B	A	B				
AUTO FABRIC PRODUCTS CO.	1947	......	307,223	11,954	148,000	154,667	‡6.19	‡1.40	0.76	0.40	95,667	207,285	55,342	T. F. Rose, pres.; G/Capt. D. S. Patterson, vice-pres.; Martin Taiger, sec.-treas.; Lt.-Col. St. C. C. Holland, Lawrence Marks; Montreal. Vice-pres.—D. G. Scott.
	1946	......	264,107	3,638	145,991	114,991	‡4.60	‡1.00	0.30	nil	107,491	169,709	61,707	
‡Before participation.														
R. M. BALLANTYNE CO.	†1947	......	97,363	7,576	43,268	46,519	7.75	0.63	...	...	......	......	......	V. P. Cronyn, pres., London, Ont.; G. K. Stanley, F. C. Walker, vice-pres.'s; R. W. Robertson, sec.-treas.; J. B. Hay, C. E. Isard, W. H. McPhillips, W. B. Norton, E. D. Smith.
	†1946	......	90,855	6,340	43,426	41,089	6.85	0.52	...	...	......	......	......	
†Predecessor co.														
BATES & INNES, LTD.	1947	......	136,173	12,048	55,600	77,448	†*5.08	*2.07	1.00	1.00	32,198	415,878	85,247	C. W. Bates, pres.; R. W. Bates, vice-pres.; E. H. Ritchie, sec.-treas.; J. A. H. Swayne, C. B. Stewart; Carleton Place, Ont.
	1946	......	171,548	10,926	77,200	58,599	†*3.84	*1.44	‡	‡	58,599	405,176	85,247	
†Class A. *Before partic. ‡None on new stock; initial 50c. on cl. A pd. May 1, 1947.														
BELDING-CORTICELLI	1947	......	676,522	148,775	181,113	148,775	17.19	11.77	7.00	8.00	28,244	1,491,529	114,474	W. P. MacDougall, pres. & man. dir.; J. M. Mackie, vice-pres.; W. G. Hicks, gen. mgr.; R. C. Vaughan, P. F. Sise, A. S. Bruneau, J. D. Johnson, C. E. Gravel; Montreal. Treas.—L. B. Ramsey. Sec.—D. F. Pollock.
	1946	......	490,284	175,464	187,572	127,248	14.71	8.90	7.00	7.50	10,465	1,561,030	120,784	
*Year ended Nov. 30														
BILTMORE HATS	*1947	100,000	300,192	23,641	115,000	142,862	*3.57	*2.57	1.00	0.40	86,862	676,034	33,587	J. A. Fraser, pres., Toronto; W. J. Tiller, vice-pres. & gen mgr.; W. F. Franke, vice-pres. & sec.-treas.; R. P. Ramsey; Guelph, Ont.; A. G. A. Spence, Toronto.
	*1946	100,000	358,751	20,622	170,883	97,267	†*2.51	†*1.51	0.42	‡0.27	45,667	607,732	31,782	
*Year ended Nov. 30. *Before partic. †Incl. ref. EPT. ‡In addition 30c per sh. pd. on old common.														
BRANTFORD CORDAGE	*1947	......	404,207	16,810	175,000	233,393	7.07	2.38	1.30	0.50	150,420	2,163,330	17,500	W. M. Messecar, pres.; A. M. James, vice-pres. & gen. mgr.; E. E. Smith, sec.-treas.; Clark Johnson, P. R. Logan; Brantford, Ont.; Glyn Osler, H. R. Tudhope, Toronto. Asst. gen. mgr.—J. A. McKay.
	*1946	......	206,303	13,512	80,000	128,192	3.86	1.06	1.30	0.50	45,166	2,037,677	17,500	
*Year ended Aug. 31.														
BRUCK MILLS	‡*1947	†470,000	1,232,660	265,993	525,117	532,550	...	...	4.26	1.20	382,550	1,165,374	267,160	I. I. Bruck, pres. and treas., Montreal; L. S. Lee, vice-pres., Cowansville, P.Q.; R. J. Bruck, vice-pres. i/c export; G. L. Bruck, vice-pres.; H. Stern, sec.; Morton Darling, H. D. Dwyer, R. B. Perrault, L. N. Buzzell, Allan Watt; Montreal; W. B. Phillips, London, Eng.
	*1946	†500,000	992,695	159,091	513,458	309,319	...	...	*2.56	0.90	196,819	1,135,084	264,328	
*Year ended Oct. 31. ‡Consolidated statement including Dominion Spinners Ltd. and Bruck Silk Mills (England) Ltd., wholly-owned subsids. †Term bank loan. *Incl. ref. EPT.														
BUTTERFLY HOSIERY CO.	1947	......	422,785	38,144	180,378	204,263	...	1.88	...	0.70+0.15	110,578	588,368	32,257	Chas. Chipman, pres., New York; Russell Weaver, vice-pres. & mgr., Drummondville, P.Q.; E. B. Beacham, vice-pres., Easton, Pa.; M. B. Holton, treas.; W. V. Holton, sec.; Hamilton.
	1946	......	255,682	31,630	113,524	110,528	...	1.01	...	0.45	59,955	595,489	32,257	
CALDWELL LINEN MILLS	1947	......	387,049	55,520	145,632	185,897	†12.39	3.58	†1.50	0.80	111,397	589,221	34,227	H. H. Caldwell, pres. & gen. mgr., Prescott, Ont.; J. A. Anderson, vice-pres. & asst. gen. mgr.; C. V. Ellis, sec.-treas.; Iroquois, Ont.; S. G. Dixon, Montreal; W. P. Scott, Toronto.
	1946	......	230,051	60,080	68,663	101,309	†6.75	1.47	†1.50	0.50	38,809	493,675	34,227	
†First pref. only.														
							A	B	A	B				
CANADA WESTERN CORDAGE	*1947	......	......	......	......	93,581	2.81	1.89	0.37½	†0.50	53,343	380,215	11,434	R. D. Williams, pres.; J. Y. McCarter, vice-pres.; F. C. Brown, man. dir.; E. Gallant; Vancouver; L. L. Anthes, Toronto. Gen. mgr.—G. K. Noble. Sec.-treas.—J. E. Priestley.
	*1946	......	123,778	19,349	54,670	49,759	*1.56	*0.87	...	‡2.00	20,159	305,892	10,920	
*Year ended Sept. 30. *Incl. ref. EPT. †In addition 50c pd. on old common. ‡Old common.														
CANADIAN CELANESE	1947	9,600,000	6,623,964	712,591	2,555,000	3,025,462	†6.05	7.25	*1.75	2.75	1,396,837	12,162,915	1,166,175	G. H. Whigham, chm., London, Eng.; Dr. Camille Dreyfus*, pres., New York; C. W. Palmer*, exec. vice-pres.; P. A. Thomson, H. W. Jackson; Montreal; Joseph Simard, Sorel, Que.; Rt. Hon. Arthur Meighen, Toronto; Sir Wm. Alexander, London, Eng.; A. Schwartz, W. McC. Cameron*, H. Blancke*, New York. Vice-pres. i/c sales—W. Ashworth. Sec.—R. O. Gilbert. Treas.—A. G. Allan. *Member finance & exec. committee.
	1946	5,000,000	4,642,670	610,250	1,800,000	2,027,381	†4.93	4.10	*1.75	2.50	496,287	6,806,470	1,398,385	
†$1.75 series only; in 1947 earned $6.05 and pd. 75c on $1.00 series.														
							A	B	A	B				
CANADIAN CONVERTERS	*1948	300,000	678,292	73,709	176,000	377,469	*5.44	*9.39	0.75	nil	325,464	1,139,730	35,296	H. C. Flood, pres.; D. S. Dubin, vice-pres. & controller; T. M. Barrington, sec.-treas.; Hon. G. B. Foster, Henri Geoffrion, Lazarus Phillips, W. W. Clarke; Montreal. Gen. mgr.—Max Finkelstein.
	*1947	500,000	684,077	60,803	206,945	330,662	*4.77	*8.04	0.75	nil	278,657	846,538	60,345	
*Year ended April 30. *Before participation.														
CANADIAN COTTONS	*1948	3,000,000	†2,257,281	747,052	545,000	886,479	5.36	4.97	1.20	2.20+0.50	314,190	8,914,129	186,616	R. G. Tolmie, chm., Montreal; E. C. Fox, pres. & man. dir., Toronto; W. V. Boyd, vice-pres., Cornwall, Ont.; J. I. Roy, gen. mgr.; Joseph Dolphin, mgr. of mills; Sir H. Montagu Allan, A. S. Bruneau, MacMillan Boyd, D. A. Campbell; Montreal. Sec.-treas.—K. L. Hamilton.
	*1947	3,000,000	†1,677,061	415,709	425,000	790,414	4.78	4.27	1.20	1.80	342,784	9,554,252	186,616	
*Year ended Mar. 31. †Including subsidy.														
							A	B	A	B				
CANADIAN SILK PRODUCTS	*1947	......	890,320	......	453,353	436,967	4.37	17.01	1.50	nil	286,967	1,252,652	137,432	A. A. Munster, pres. & treas.; G. S. Westgate, vice-pres.; G. G. Cooke, sec.; F. A. Field, B. Q. Thompson, H. C. Sherwood.
*Year ended June 30.														
CELTIC KNITTING	1947	......	112,364	15,831	42,854	53,679	...	1.99	...	0.50+0.35	30,729	131,206	21,103	E. D. Gordon, pres. & treas.; A. C. Howatson, vice-pres. & man. dir.; K. A. Wilson, sec.; W. F. Graw, W. K. Nelles; Montreal.
	1946	......	70,004	10,364	29,304	30,094	...	1.12	...	0.20	24,694	121,610	21,103	
CIRCLE BAR KNITTING	*1947	......	362,725	35,273	160,272	167,180	...	6.33	...	0.60+0.20	154,669	797,133	17,500	Wm. Mitchell, pres. & gen. mgr.; S. C. Mitchell, vice-pres.; J. A. Robinson, O. J. Mooney, W. J. Mitchell, M. A. Bennett, Angus MacKay; Kincardine, Ont.; Albert Gulliver. Sec.-treas.—Brock Dotzenroth.
	*1946	......	277,627	27,441	173,675	76,511	...	*3.59	...	0.60+0.20	64,891	584,810	55,093	
*Year ended June 30. *Incl. ref. EPT.														
CONSOLIDATED TEXTILE MILL	1947	150,000	436,792	37,137	195,299	202,947	10.30	3.55	1.00	nil	177,642	320,942	24,993	J. M. Bornstein, pres. & gen. mgr.; G. H. Bornstein, vice-pres.; Morris Bornstein, sec.; H. A. Bornstein, treas.; G. M. Hawthorn, G. E. A. McCain, Joseph Shapiro; Montreal.
♦8 mos. ended Dec. 31 only.	♦1946	......	149,487	9,198	74,065	66,224	3.31	1.13	0.50	nil	56,374	318,011	24,993	
COSMOS IMPERIAL MILLS	1947	114,000	521,388	92,586	173,000	199,802	...	2.00	...	1.20+0.15	84,802	1,670,055	39,503	W. S. Burrill, chm.; A. V. Young, pres.; J. V. Young, vice-pres. & man. dir.; W. T. Mayo, R. R. Evans; Hamilton, Ont.; G. H. Allen, Yarmouth, N.S.; H. R. Tudhope, Toronto. Sec.-treas.—J. T. Scarlett.
	1946	152,000	439,783	66,405	154,500	172,078	...	1.72	...	1.20+0.15	37,078	1,735,284	39,503	
DOMINION FABRICS	1947	......	297,907	34,896	121,719	141,292	†15.70	1.20	†3.00	0.80	28,292	835,594	14,119	Thomas Camelford, pres.; J. G. Camelford, vice-pres.; W. W. Camelford, sec.; Mary Camelford, treas.; J. A. Camelford; Dunnville, Ont.; Dorothy F. Kelly, Hamilton, Ont.; H. W. Lofft, Toronto.
	1946	......	262,708	35,841	91,500	135,367	†15.04	1.12	†3.00	0.80	22,367	801,394	14,119	
†First pref. only; on 2nd pref., $3.71 earned in 1947, $3.42 in 1946, and $1.50 per sh. pd. in both years.														
DOMINION TEXTILE	*1948	3,600,000	6,176,112	1,200,000	†1,870,318	2,834,832	146.08	♦1.05	7.00	§	890,013	13,946,811	565,521	G. B. Gordon, pres. & man. dir.; W. A. Eden, F. R. Daniels, A. F. Baillie, J. P. Black, Hon. C. A. Dunning; Montreal. Sec.—L. P Webster Treas.—R. A. Lang.
	*1947	3,500,000	4,536,394	1,200,000	1,461,659	1,729,334	89.11	5.90	7.00	5.00	‡20,134	14,756,186	565,521	
*Year ended Mar. 31. †In 1948 an allowance of $959,928 was made for reserve against future deprec. of inventory values. ♦Based on new stock after 9 for 1 split and including 135,153 issued for equal no. of shs. of Montreal Cotton acqd. during 1947. ‡After trans. of $323,358 to pens. fund res. §Paid 30c +15c on new shs., $2.50 on old shs.														
DOMINION WOOLLENS & WORSTEDS	1947	1,624,100	1,167,415	165,000	192,500	267,584	...	1.82	...	‡0.80	149,912	1,769,189	38,420	J. W. Hobbs, chm.; Henry Barrett, pres.; J. A. Gairdner, vice-pres.; Toronto; H. B. Bonner, gen. mgr., Hespler, Ont.; Dr. T. H. Hogg, Henry Brown, Toronto; C. M. Heddle, Oakville, Ont. Sec.-treas.—S. W. Haufschild.
	1946	1,748,600	330,307	77,700	68,200	101,149	...	0.69	...	‡0.72½	■5,496	1,485,114	36,029	
‡Includes 20c paid Feb. 1 following year. ■Deficit.														
ESMOND MILLS	▲1948	......	173,015	13,494	62,602	93,682	6.25	2.19	1.00	0.50	60,682	414,031	23,704	Royal Little, pres.; Marshall Rawle, vice-pres.; C. H. Dyson, treas.; G. E. Nixon, man. dir.; J. G. Porteous, sec.; G. K. Beddoe.
	▲1946	......	225,204	8,091	101,807	101,886	6.79	2.41	0.75	3.50	■35,364	662,583	23,704	
▲53 Weeks ended Jan. 8, 1948, year ended Dec. 28, 1946. ■Deficit.														
FIBRE PRODUCTS OF CANADA	*1947	......	91,537	43,800	18,379	29,358	1.39	0.29	0.50	nil	18,125	130,427	15,760	H. S. Rosenberg, pres., Toronto; P. G. Harris, vice-pres.; F. A. Horn, vice-pres.; Windsor, Ont.; Joseph Hopmeyer, sec., Montreal; L. M. St. B. Collins, treas.; A. B. Rosenberg; Toronto; Wolf Goldstein, Windsor, Ont.
*Year ended June 30.														
GRAND'MERE KNITTING	1946	300,000	110,679	9,387	43,301	53,651	...	...	...	...	......	......	......	Albert Thibeault, pres. & gen. mgr.; Grand'Mere, Que.; E. B. Watson, vice-pres., Montreal; P. A. Hawken, sec.; A. S. McNab, treas.; F. A. Sabbaton, George Chahoon, Jr.; Grand'Mere, Que.; R. Belanger, Montreal.
	1945	......	109,143	9,663	62,222	34,633	...	...	...	...	......	......	......	
GREAT WEST FELT	1947	......	168,082	14,718	76,781	76,583	3.07	1.83	†0.50	†nil	20,702	146,365	5,362	L. A. Dunbar, pres. & man. dir.; C. M. Dare, vice-pres. & treas.; Kitchener, Ont.; C. J. Weichel, gen. mgr.; A. O. Shurly, sec.; Elmira, Ont.; R. B. Law, Welland, Ont.; J. K. Sims, Kitchener, Ont.
	1946	......	105,275	5,904	52,757	46,614	1.86	0.97	‡	‡	16,777	......	......	
†Also pd. 40% on old com. ‡Paid 27½% on old com.														
HAMILTON COTTON	1947	1,245,000	430,221	163,062	88,600	133,456	...	1.67	...	0.90	61,456	1,451,337	......	A. V. Young, pres.; J. V. Young, vice-pres., treas. & gen. mgr.; W. S. Burrill, R. R. Evans, W. L. McMahon; Hamilton; Dunlop Stewart, H. R. Tudhope, H. B. Stewart, Toronto. Sec. & asst. treas.—E. G. Howe.
	1946	1,330,000	324,229	89,846	75,000	113,850	...	1.42	...	0.90	41,850	1,599,632	......	
HARDING CARPETS	*1947	367,000	944,396	113,315	381,889	285,857	...	1.24	...	0.65	135,575	1,933,966	76,089	J. S. Dickson, pres., Toronto; C. V. Banks, exec. vice-pres.; C. M. Harding, gen. mgr.; C. G. Cockshutt; Brantford, Ont.; H. J. McLaughlin, R. R. Corson, E. R. Deeks, Toronto; H. Quarmby, Guelph, Ont. Sec.-treas.—A. R. Wynn.
	*1946	388,500	438,355	95,019	134,800	178,300	...	*0.78	...	0.30	108,939	1,535,812	78,015	
*Year ended Oct. 31. *Incl. ref. EPT.														
							A	B	A	B				
HOLDEN MANUFACTURING	*1948	......	192,196	8,955	88,882	92,644	3.07	1.48	0.60	nil	74,563	386,815	108,926	D. A. C. Baptist, pres. & gen. mgr. Rockcliffe, Ont.; H. E. Palmer, vice-pres.; J. D. Duncan, sec.-treas.; H. C. Bulpit, D. K. MacTavish; Ottawa; Hon. J. Earl Lawson, E. R. Angus, Toronto.
	*1947	......	149,480	4,828	78,300	63,412	2.10	0.90	‡	‡	53,367	294,442	107,820	
*Year ended Jan. 31. *Before participation. ‡Paid $5.00 per old common sh.														
HUBBARD FELT	*1947	......	115,938	16,458	37,061	62,419	†4.99	1.08	†‡1.50	0.50	17,419	300,100	......	G. O. Hubbard, chm., England; H. N. Haller, pres. & treas.; F. J. Knight, vice-pres. & sec.; A. D. Finnie, S. M. C. Beck, Montreal; S. A. Pakes, Toronto.
	*1946	......	120,732	12,713	43,855	64,164	†5.13	1.14	†‡0.75	nil	4,164	292,910	......	
*Year ended Nov. 30. †Class A only; Cl. B earned $5.82 in 1947, $6.06 in 1946. ‡Pd. same on Cl. B.														
							A		A					
LONDON HOSIERY MILLS	*1948	......	176,960	10,936	69,566	96,458	‡2.14	‡0.76	0.60	0.75	§9,458	631,816	20,540	L. A. Dunbar, chm., Kitchener, Ont.; J. A. McKeeman, pres. & gen. mgr.; J. C. Currie, vice-pres.; Toronto; H. F. Rasmussen, sec.-treas., London, Ont.; D. R. Dattels, C. M. Dare, Kitchener; M. C. Deans, Toronto.
	*1947	......	141,604	6,979	53,695	80,930	‡1.80	‡0.56	...	...	......	†700,144	†20,370	
*Year ended Mar. 31. †From pro forma balance sheet at June 3, 1947. ‡Based on present capital stock after allowing full year's dividend on A stock. §After payments on new stock only.														
MERCURY MILLS	1947	†1,250,000	780,295	66,438	326,000	362,982	...	3.84	...	1.00	268,495	1,763,763	52,776	R. H. Hommel, pres. & gen. mgr.; J. A. Roberts, vice-pres.; W. H. Cooper, Hamilton; J. H. Gundy, Dunlop Stewart, R. W. S. Johnston, H. B. Housser, C. L. Gundy, Toronto. Sec.-treas & compt.—W. Alexander. Asst. gen. mgr.—D. A. Page.
	1946	700,000	633,792	60,632	280,000	266,785	...	2.82	...	0.95	177,028	1,708,899	52,776	
†After giving effect to refinancing in April, 1948.														
MONARCH KNITTING	1947	1,400,000	924,340	215,359	384,000	324,981	†65.00	*2.97	3.00	0.80+0.10	213,181	1,747,954	108,244	F. J. Coombs, chm. & vice-pres., Toronto, Ont.; Rt. Hon. Lord Barnby, pres., London, Eng.; K. L. Markon, vice-pres. & gen. mgr.; G. F. Leaver, treas.; D. A. McIntosh, sec.; F. C. Deacon, W. K. Fraser, G. E. Hanks, C. F. W. Burns; Toronto.
	*1946	960,000	1,037,968	151,614	575,000	311,354	‡103.79	2.91	‡3.75	0.50	248,992	1,219,008	108,244	
*Including results of operations of working assets and inventory of Jos. Simpsons Sons Ltd. acquired at close of 1945. †New 4½% pref. ‡Old 7% pref. redeemed Apr. 30, 1947. *Based on present capitalization as if o/s for entire year.														
MONTREAL COTTONS	1947	......	1,079,420	275,000	370,000	434,420	3.62	0.68	1.75	0.50	59,420	4,166,221	116,913	G. B. Gordon, pres.; W. G. E. Aird, vice-pres. & man. dir.; Montreal; Charles W. Gurnham, sec.-treas. & compt., Valleyfield, P.Q.; Charles Laurendeau, Hon. C. A. Dunning, J. P. Black, Walter Molson, F. R. Daniels, A. F. Baillie, Montreal.
	1946	......	1,034,643	250,000	351,068	433,575	3.61	0.68	‡1.31¼	‡0.40	61,575	4,163,904	121,954	
‡Paid also $1.75 on old 7% pref., $1 on old common.														
							A	B	A	B				
NATIONAL HOSIERY MILLS	1947	......	698,197	58,396	322,644	324,126	3.95	6.71	0.60	nil	274,934	721,980	122,854	C. V. Langs, chm.; E. B. Eastburn, pres. & treas.; Hamilton, Ont.; J. A. Kitchen, vice-pres., Dundas, Ont.; J. B. Ridley, Toronto; R. C. Ripley, H. P. Frid, Hamilton; G. M. Williams, Middletown, Conn. Sec.—Walter Hardie.
	1946	......	707,061	46,550	381,674	276,723	*3.38	*5.55	♦0.30	nil	248,895	558,593	132,703	
*Based on new capitalization approved June 1946. Balance of 5½% cum. pref. $5 par redeemed June 30, 1946, at $5.50 per sh. and accrued divd. ♦Paid also 21c. on old pref.														
PATON MANUFACTURING	*1948	750,000	532,289	216,017	118,000	172,022	5.73	2.60	1.40	0.80	90,022	1,592,018	68,948	F. R. Daniels, pres.; J. V. R. Porteous, vice-pres.; A. F. Anderson, treas.; J. M. Mackie, G. B. Gordon, J. N. Laing, A. D. McCall; Montreal. Sec.—R. Neill.
	*1947	750,000	277,494	108,586	48,000	92,923	3.10	1.02	1.40	0.80	10,923	1,583,593	68,948	
*Year ended Apr. 30.														
PENMANS	1947	1,457,500	1,525,663	225,000	649,000	351,766	32.72	4.45	‡6.00	‡3.00	93,712	3,735,456	242,000	A. F. Baille, pres.; G. W. Grier, vice-pres.; B. K. Gunn, gen. mgr.; C. B. Robinson, sec.-treas.; J. N. Laing, J. P. Black, G. B. Gordon, Hon. G. B. Foster; Montreal.
	1946	1,500,000	1,247,118	325,000	456,000	382,763	35.61	4.93	6.00+*1.50	3.00+*0.75	60,195	3,846,223	242,000	
*Paid Feb., 1947. ‡Includes payment Feb. 1, following year.														
REGENT KNITTING MILLS	1947	290,000	1,171,546	186,125	475,000	440,453	27.53	6.38	1.60	0.50	382,349	918,416	295,061	C. G. de Tonnancour*, pres.; H. Grover*, vice-pres. & man. dir.; J. C. Belle Isle*, sec.-treas.; W. J. Ratcliffe, Joseph Shapiro, D. Drapeau, J. E. Savard, de Gaspé Beaubien*; Montreal; H. Holdroyd, Toronto. *Member executive committee.
	1946	312,500	1,227,266	100,614	645,000	427,352	26.71	6.18	1.60	0.50	369,247	819,495	295,061	
							A	B	A	B				
RENFREW TEXTILES	‡1947	110,000	81,156	16,955	25,039	37,208	1.49	0.40	0.60	nil	22,208	181,728	3,277	D. S. Dubin, pres., Montreal; T. L. Cuthbertson, vice-pres. & man. dir., Renfrew, Ont.; B. Malin, sec.-treas.; I. Bloomberg, E. Foster, L. Lendman; Montreal; S. Kobus, Renfrew.
	1946	20,000	45,134	8,416	15,517	21,888	0.88	0.12	0.30	nil	14,388	169,729	3,810	
‡Consolidated statement.														
							A	B	A	B				
RIVERSIDE SILK MILLS	1947	......	189,204	39,416	56,441	108,347	*3.61	*2.41	2.00	2.00	8,347	490,271	37,749	L. A. Dunbar, pres., Kitchener, Ont.; H. P. Wright, vice-pres. & sec., Hamilton, Ont.; H. C. Boehmer; Kitchener; R. B. Law, M. C. Deans, Toronto. Treas.—C. M. Dare.
	1946	......	255,701	31,336	100,347	124,018	*4.13	*3.20	2.00	2.00	24,018	546,570	36,960	
*Before participation.														
ROBINSON COTTON MILLS	*1947	900,000	565,959	78,741	169,922	287,271	...	1.92	...	0.40	227,271	1,518,993	......	William Robinson, pres.; W. W. Robinson, vice-pres. & man. dir.; W. H. Robinson, mill mgr.; W. J. McCreight, sec.-treas.; Toronto; C. T. Cluff, Winnipeg; Fred Slater, Montreal.
	*1946	950,000	444,795	48,790	150,761	226,143	...	1.51	...	0.30	181,143	1,880,296	1,083	
*Year ended Dec. 18.														
SILKNIT LIMITED	1947	930,000	1,071,427	156,951	448,268	435,724	42.21	6.70	2.00	nil	402,137	2,172,071	‡	M. H. Epstein, pres.; W. B. Milner, vice-pres.; E. J. Leranbaum, treas.; H. T. Burgess, sec.; E. G. McMillan, H. B. Epstein, Miss C. R. Sinclair; Toronto.
	1946	373,200	1,011,789	127,649	573,079	291,615	27.74	4.28	2.00	nil	257,377	1,421,083	214,964	
‡Transferred to earned surplus.														
							A	B	A	B				
STANFIELD'S LTD.	1947	......	‡248,691	......	......	248,691	4.14	2.13	0.60	0.45	167,691	2,031,263	5,967	F. T. Stanfield, pres.; C. E. Stanfield, vice-pres.; A. J. Campbell, sec.; H. F. Bethel, E. B. McDaniel; Truro, N.S. Treas.—E. H. Abbott.
	1946	......	251,431	30,568	91,904	128,959	2.15	0.93	†	†	70,959	1,749,270	23,472	
‡After deprec. and taxes. †Paid initial 30c. on class A, 15c. on class B; also $2.50 per sh. on old common.														
TIP TOP TAILORS	1947	790,000	588,585	70,840	183,400	317,762	...	2.73	...	0.30	291,887	2,326,664	*	David Dunkelman, pres. & gen. mgr.; Jos. B. Dunkelman, vice-pres.; Benjamin Dunkelman, treas.; (Mrs.) Rose Dunkelman, R. A. Daly, H. P. Mackechnie, Toronto; Morton Wilner, Washington, D.C. Sec. & compt.—H. E. Clayton.
	1946	860,000	540,169	63,304	169,843	317,762	...	2.65	...	0.30	281,759	2,093,366	219,000	
*Transferred to earned surplus.														
TOOKE BROS.	1947	......	260,724	49,257	99,780	111,687	...	0.93	...	†0.30	63,687	653,205	53,026	W. M. Weir, chm.; H. H. Woodward, pres. and man. dir.; G. A. Blundell, sec.-treas.; W. G. Hanson, D. W. Partridge, C. W. MacLean, G. H. Imrie; Montreal.
	1946	......	282,266	34,862	128,511	118,293	...	(1.01)	...	‡1.15	85,169	602,629	64,322	
†In addition 40c. pd. on old stock before 4 for 1 split. ‡Old stock.														
VERNEY CORP. OF CANADA	1947	......	186,958	64,051	44,612	75,905	3.80	0.47	1.68	nil	42,305	965,592	43,837	Gilbert Verney, pres., Boston, Mass.; J. G. Porteous, sec.; J. S. Aird; Montreal; Oliver Iselin, F. W. Jefferson, Sr., Jarvis Cromwell, New York; H. C. Robbins, Boston; J. R. McLane, Manchester, N.H. Treas.—N. C. Hayward.
	1946	500,000	301,676	64,794	85,060	124,909	6.25	1.21	...	nil	124,909	597,002	47,511	
WABASSO COTTON	*1947	1,000,000	1,309,826	572,636	321,237	357,728	...	5.12	...	4.00	78,116	2,321,400	53,262	C. R. Whitehead*, pres., Three Rivers, P.Q.; N. J. Dawes*, vice-pres., Montreal; W. J. Whitehead*, man. dir., Three Rivers; W. Taylor-Bailey*, Montreal; Hon. Lucien Moraud, Quebec, P.Q.; Wm. Harty†, Kingston, Ont.; Hugh Mackay, Rothesay, N.B. Sec.-treas.—H. W. Capel. *Member exec. comm. †Deceased.
	*1946	1,175,000	1,330,802	590,262	335,000	341,351	...	*5.15	...	4.00	61,738	2,589,705	84,653	
*Year ended May 3, Apr. 27. *Incl. ref. EPT.														
WOODS MANUFACTURING	1947	......	1,393,388	367,901	383,500	336,984	...	5.22	...	2.00	207,878	1,589,151	‡	Harold Crabtree, pres. & chm.; H. Roy Crabtree, vice-pres. i/c operations; W. A. Eden, A. M. Irvine, R. W. Steele, F. R. Daniels, R. M. Stott, H. J. Humphrey, Aubrey Crabtree; Montreal; Glyn Osler, Toronto. Vice-pres i/c finance—R. B. Moffit. Sec-treas.—R. E. Lewis.
	1946	......	1,185,935	280,367	443,000	302,611	...	4.69	...	2.00	173,505	2,437,707	292,000	
‡Transferred to earned surplus.														
WOOL COMBING CORP. OF CAN.	1947	......	153,184	21,922	47,500	83,762	...	1.68	...	1.15	26,262	352,786	8,448	Rt. Hon. Lord Barnby, pres., London, Eng.; Leslie Biggin, K. L. Markon, vice-pres.'s.; D. A. McIntosh, sec.; G. F. Leaver, treas.; W. K. Fraser, C. F. W. Burns; Toronto. Gen. mgr.—R. N. Baird.
	1946	......	192,672	21,351	79,265	106,817	...	2.14	...	1.00+0.50	31,817	244,532	26,905	
							A	B						
YORK KNITTING MILLS	1947	1,900,000	1,002,857	198,941	220,000	371,425	1.15	0.52	†10.50	*0.60	186,768	2,081,675	3,959	J. D. Woods, pres.; W. P. Walker, vice-pres. & gen. mgr.; H. H. Lawson, vice-pres.; W. B. Woods, H. M. Reedy, Ralph Presgrave; Toronto; K. W. Harvey, Woodstock, Ont.; L. W. Lawson, S. S. Higgs. Sec.—J. S. Lewis.
	1946	1,950,000	711,271	142,619	210,000	305,371	(0.94)	(0.37)	†7.00	*0.40	182,266	2,016,912	3,959	
†Paid on old 1st pref.; Same on old 2nd pref. *Old common.														

LONDON CALLING—*By Adelphi*

Socialism Destroying Union Authority; Hear U. S. Stiffens Marshall Aid Terms

LONDON—It is difficult at the moment to send any news from London which may not read like last year's calendar by the time it is read. For example, there are convoys of lorries and troops moving toward the docks. But surely the strike will be over by the time these notes appear in The Financial Post.

There is more to this strike than a mere grievance or Communist agitation. It proves, if proof were needed, that under a Labor government the authority of the Trade Unions becomes progressively weaker.

The Socialists brought the docks under one scheme and arranged a Dockworkers' Charter. With the consequent disappearance of the normal employer or individual authority, the Trade Union becomes the disciplinarian. The workers feel that in the Socialists they have their own government, and they resent the interference of Trade Union officials.

At any rate, the shop stewards' movement has been steadily undermining the authority of the unions for the last eight years. The shop steward is extra-territorial, to use a diplomatic definition. He belongs to a union, of course, but he champions every grievance, insists on his right to represent his fellow workers with the management—and in nearly every case he is a Communist.

* * *

Shop Stewards Set Strike Pace

The Trade Unions, which badly need a speeding up of their methods of enquiry and adjustment, find that the shop stewards set the pace. They are the new order, and they are behind the dockers' strike.

But they are shrewd, as well as dangerous. Thus we find isolated shop stewards noisily urging the strikers to return to work. That is an alibi which should fool no one. It is an attempt to prove that the shop stewards are individualists and are not allied with any policy or party.

The fact that the strike goes on despite the gravity of the situation in Berlin, is a terrible reproach. Unhappily, the dock workers are below the average in political education, and are much more susceptible to slogans than to argument.

* * *

The arrest of Marshal Sokolovsky for speeding in Berlin is the perfect ironic commentary on a mad world. The American who thought of this ought either to be cashiered or put in charge of the United States forces in Germany. The Marshal is a man of great dignity and considerable charm, but both his dignity and his charm must have been badly strained as he sat for half an hour refusing to go to the police station.

His unfortunate bodyguard in the escort car must have taken a dim view of their own future. The great leaders of Communist Russia cannot afford to look foolish, so what about the members of the escort who witnessed the indignity of the Marshal's detention by bourgeois American soldiers? I would not like to insure their lives.

* * *

Hear U. S. Would End Empire Economic Unity

In the midst of these pre-occupations, the British public was informed by a battery of correspondents that Thos. E. Dewey had captured Philadelphia and that he would almost certainly be the next President. Mr Dewey's personality does not quite make the Atlantic crossing yet, but we remember how he cleaned up the gangsters in New York. There is much to be said for an American President, in these times, knowing how to deal with gangsters.

Rumor has it that the Americans are stiffening their terms to Britain for Marshall Aid. Some of the Tories are saying that the American price is the virtual sell-out of Empire economic unity. It is reported that Sir Stafford Cripps is stiffening in his attitude.

His finance bill finished its final stages last week and he admitted that many things like purchase tax and heavy indirect taxation, which look admirable on paper, seem to fall short of perfection when put into practice.

Sir Stafford remains the ablest innocent who ever dominated a nation's life. He has a brain of magnificent quality but he is remote from human frailty and, therefore, human understanding. He even suggested, not long ago, that we should all gather in one another's homes and have singsongs and be happy. Then he abolished private motoring, so that we could not get about.

* * *

Churchill's Stock Is Rising Rapidly

Not unnaturally, Churchill's stock is rising rapidly. He moves about the country like a triumphant Caesar and one can almost see the Socialists tied to his chariot like slaves. Yet the Socialist bosses say, whatever their thoughts may be, they would rather see Churchill lead the Tories at the next election, than Anthony Eden.

They argue that while Churchill rallies great support, he solidifies the Opposition to the Tories, whereas Eden would divide it. At any rate, Churchill is in splendid physical and mental trim, and is ready for battle.

* *

The Australians continue to teach their grandmothers to suck eggs. We invented cricket and they show us how to play it. I cannot believe that we shall win one test match this time.

The stock market keeps cool in the face of the dock strike and the Berlin crisis. Like everyone else the investor has become a fatalist.

Lord Beaverbrook returns this week from Canada, which will enable New Brunswick to recover its historic calm. His Lordship's newspapers are banging the Empire drum harder than ever and warning the British to beware of the Yankee dollar.

Mr. Noel Coward is also back, and stoutly denies that he ever said in New York he was tired of his fellow creatures and that he intended to live in Jamaica where he could spend his money like a gentleman, instead of in the grisly manner of Britain today.

It appears that Mr. Coward loves his fellow creatures and admires Britain more than somewhat. We shall forgive him—but with a warning.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

UNITED FUEL INVESTMENTS LTD. net profit for the year ended March 31, 1948, was up 28.7%. Improved showing is mainly attributable to an increase of $426,733 in gross profit on sales resulting from an increased volume of coke sales and higher unit prices obtained on sales of practically all products. These increased unit selling prices were made necessary by substantial increases in cost of coal, oil and other materials used in production, and by increase in labor costs, the annual report states.

Profits of the appliance sales department were greater by $9,144 and there was a reduction of $4,620 in interest charges of funded debt. Net expenditure of $403,994 in addition to fixed assets, including $264,907 for construction of oil gas manufacturing facilities, was main reason for decrease in working capital. In addition, a total of $74,000 was expended in changing over the former natural gas area for the distribution of manufactured gas. Enlargement of the company's gas manufacturing facilities and the conversion of the entire gas system for distribution of manufactured gas was completed by Autumn of 1947.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1948	1947
Net oper. profit	$1,406,166	$1,107,598
Less: Depreciation	239,990	236,779
Bond interest	158,185	162,805
Income tax res.	489,300	303,000
Bond & loan exp.	9,876	9,876
Net profit	508,815	395,138
Less: Cl. "A" divs.	270,000	270,000
Surplus for year	238,815	125,138
Times Bond Interest Earned:		
Before depr. & amort.	8.89	6.80
After depr. & amort.	7.37	5.35
Earnings per Share and Dividend Record:		
Class A	$5.65	$4.39
Paid	3.00	3.00
Cl. B & Common	1.50	0.78
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1948	1947
Cash, Dom. bds., etc.	$360,783	$1,085,694
Accts. rec.	842,409	811,903
Inventories	1,391,835	627,497
Total curr. assets	2,595,027	2,525,094
Misc. assets▲	566,597	478,797
Fixed assets*	10,508,472	10,344,962
Total assets	13,670,096	13,348,853
Accts., tax, etc., pay.	1,143,927	921,499
Bonds due or called	200,000	140,000
Total curr. liabs.	1,343,927	1,061,499
Conting. res.	100,000	100,000
Funded debt	3,900,000	4,100,000
Exchange res.	120,000	120,000
Capital stock	6,292,225	6,292,225
Capital surplus	417,220	417,220
Earned surplus♦	1,496,724	1,257,909
♦Incl. ref. EPT of	46,500	46,500
*After depr. of	5,442,584	5,634,478
▲Incl. ref. EPT	32,043	46,500
*Incl. $4,079,955 prems. pd. for subsids.		
Working capital	1,251,100	1,463,595

MANITOBA SUGAR CO. net profit for the year ended March 31, 1948 was off 9.6% from previous year. Operating profit, after charging $139,420 for depreciation was $224,670. Working capital at $1,030,955 was up $70,773.

INCOME ACCOUNT

Years Ended Mar. 31:	1948	1947
Net earnings	$337,081	$385,109
Less: Deprec.	139,420	149,999
Debt int.	18,550	24,821
Deb. disc. w/o	2,205	2,205
Inc. tax res.	62,000	81,000
Net profit	114,906	127,084
Less: Pref. divds.	90,000	90,000
Surplus for year	24,906	37,084
Times Debt Interest Earned:		
Before deprec.	18.17	15.52
After deprec.	10.66	9.47
Earnings per Share and Dividend Record:		
Pref.: Earned	$7.66	$8.47
Paid	6.00	6.00
Common: Earned	0.73	1.09
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1948	1947
Cash & Dom. bds.	$502,154	$171,730
Accts. rec.	86,472	154,781
Inventories	607,282	872,298
Total curr. assets	1,195,908	1,198,809
Def. & prep. chgs.	198,710	173,793
Misc. assets	30,283	34,648
Fixed assets*	1,229,664	1,336,083
Total assets	2,654,565	2,743,333
Total curr. liab.	164,953	238,627
Funded debt	520,000	560,000
Capital stock	1,500,000	1,500,000
Surplus	469,612	444,706
*After depr. of	1,061,190	920,052
Working capital	1,030,955	960,182

FUSILIER MINES has resolved to wind up voluntarily and appointed Elmore Meredith, Vancouver, liquidator. The first meeting of creditors was held July 2.

---

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92

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P-5

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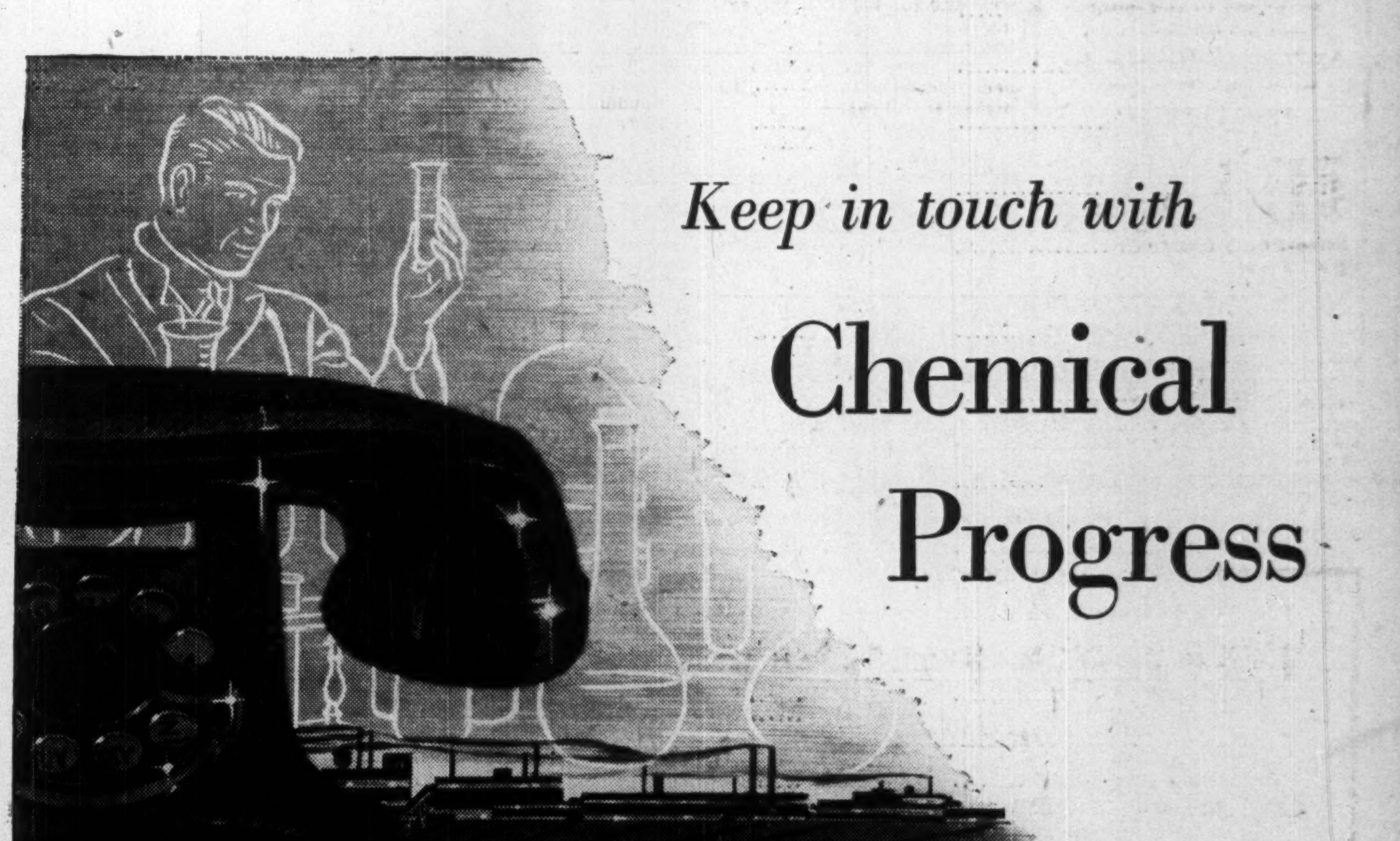

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SIGMA MINES (QUEBEC) reports bullion production of $200,519 from treatment of 33,690 tons of ore averaging $5.95 gold per ton in June ($203,574 from 34,528 tons and $5.90 gold in May).

Confirm Lead-Zinc Values at Hudson Bay But Outlining of Ore Bodies Yet to Come

Extensive and extremely interesting lead-zinc mineralization has been outlined by Gulf Lead Mines in its big exploration program on the east coast of Hudson Bay just to the south of Richmond Gulf.

While only 25% of initial drill holes assayed have returned commercial lead-zinc intersections, the management is optimistic that further work will lead to the outlining of important lead-zinc ore bodies. The program is a large one with four drills now operating around the clock; 350 drums of gas and oil are now on their way by boat to assure supplies for the 1949 exploration program.

The first hole drilled was only 900 ft. from the east coast of Hudson Bay in the Nancy Island sector south of Richmond Gulf. Although located 3½ miles from any showing of galena of sphalerite mineralization, a commercial grade intersection was secured in this hole. When No. 1 hole "clicked," it was decided to "grid" the area with holes 500 to 700 ft. apart—rather than to continue crosssectioning inland towards other favorable structure. An area 1,500 ft. by 1,500 ft. was tested in grid fashion. Fifteen holes have now been completed in the Nancy Island sector and a sixteenth is now drilling.

Holes Nos. 1, 11 and 12 indicated commercial values as follows:

Hole No.:	Footage	Width ft.	Lead %	Zinc %
1	491.5-501.5	10	4.20	2.90
11	446.5-455.5	9	4.27	4.50
12	445.0-463.0	18	0.40	2.36

Holes Nos. 11 and 12 are about 600 ft apart. Only low values in lead, zinc and silver were secured in the remaining holes.

From work completed to date, the company's consultant, L. B. Almond, draws four conclusions:

1. Three holes have definitely cut lead and zinc of ore grade.
2. There is a definite zone in the limestone bed with well-defined markers that is susceptible to lead and zinc mineralization, as indicated in all holes drilled to date.
3. An area of seven miles by three miles, bounded on the north by Little Whale River and on the south by Little River, has ore-making potential, as demonstrated by 25% of the holes drilled and assayed to date in this area.
4. Two definite fault zones have been discovered and two of the holes, Nos. 11 and 12, put down prior to their discovery and some 600 ft apart, are within 50 and 150 ft. of one of these faults.

Drilling Plan Changed

In order to evaluate the encouraging values along one of these fault zones, the plan of drilling has been changed. Two drills will probe the zone at 50 and 100-ft. intervals along both sides of the fault and one drill will put down grid holes around No. 1 at 100-ft. intervals.

In the Ruby Lake sector, 3½ miles inland from Hudson Bay, 48 shallow holes have been drilled on the limestone ledge. These holes vary in depth from 44 to 174 ft. Many interesting sections have been cut and cores are now being split for assay.

At Richmond Gulf in the northern sector of the concession, a complete and separate camp has been established with five men operating an X-ray drill, carrying on trenching and test pitting on finds made last summer. Two prospectors are employed on the concession, south of Little River.

30,000 ft. This Year

Since drilling was started April 15, 12,716 ft. of drilling has been completed. The company expects to exceed its original objective of 12,716 ft. of drilling for this season. In a large program such as this with four heavy drills and an X-ray drill in steady operation, over 50 men are on the payroll. Finances are apparently adequate for the job, however, with in excess of $300,000 reported in the treasury.

Equipment being used includes a jeep, bulldozer and two landing barges. The country is a plateau-like area and is not found difficult to traverse so that drills can be fairly readily moved from one set-up to another. Production plans are not expected to be entertained unless and until major resources of lead-zince ore have been outlined.

United Keno Hill Produces Record Total, June, 1948

A new high for value of monthly production was recorded by United Keno Hill Mines, Yukon, in June with an output value of $190,630, slightly in excess of the previous high May total, The Financial Post is informed. June production, in the form of concentrates and crude ore, was 154,976 oz. silver and 429,557 lb. lead.

A total of 2,638 tons of concentrates have been shipped to the smelter since navigation opened in June with an approximate value of $1 million.

Favorable development results continue to be reported from the mine with new ore being rapidly placed in sight. The 100 and 400-ft. levels of the Hector are currently being drifted in ore with the last face on the 100-ft. level running 231 oz. silver across 4 ft. and the 400-ft. level showing 104 oz. silver over 2 ft. and 50 oz. silver over a foot. The crosscut from the winze on the 450-ft. level at the adjoining Calumet mine is now in high-grade ore but no detailed assay results on this have yet been received at head office.

Joburke Opens Ore Lengths

About $75,000 Remaining in Treasury on June 1, 1948

Since Joburke Gold Mines completed its shaft to its objective of 400 ft., in January, 1948, lateral work on levels established at 250 and 375 ft. depth has opened up considerable lengths of ore, The Financial Post is informed.

At the 250-ft. horizon, drifting has been carried for 475 ft. to the west and for 420 ft. to the east of the shaft crosscut with sheared and carbonated structure showing. A series of ore bodies has been opened with ore lengths reported as follows:

Ore Body:	Length ft.	Width ft.	Cut grade oz.
204-W	119	5.3	0.20
202	155	5.1	0.12
204-E	43.5	7.3	0.16
202-W	209.5	5.1	0.33
201-E	66.2	3.0	0.21
	54.5	6.0	0.13
	40.6	3.6	0.34

The good 202 west ore body has been opened right from the shaft crosscut and follows the north contact with test holing of the south wall indicating widths up to 12 ft. Severe folding comes in about 200 ft. west of the shaft.

On the 375-ft. level, drifting has been carried 300 ft. to the west and 410 ft. to the east of the shaft crosscut. Ore bodies opened up have been as follows:

Ore Body:	Length ft.	Width ft.	Cut grade oz.
302-W	132.2	6.9	0.36
302-E	128.5	5.8	0.33
304-W	86.5	6.3	0.12
304-W	25.5	4.0	0.17
201-E	67.0	4.4	0.11
301-E	61.0	3.8	0.23

Vertical continuity with ore disclosures on the level above is indicated. This is stated to be most evident in the zones to the west of the shaft crosscut. The No. 2 ore shoot again shows the best grade with an uncut grade of 0.48 oz. gold at this level.

Horizontal drilling at the east end of the No. 301 east drift has returned an important ore intersection 22 ft. north of the drift. A core length of 21.7 ft. has averaged better than 0.30 oz. gold per ton. A second hole at 60 ft. to the east returned a narrow ore intersection.

The north zone may be explored by drilling from the third level. Approximately 400 ft. of distance lies between the main south and north zones.

Independent Team Starting Wildcat

A team, comprising Inter-Leduc Oil Co., British Dominion Oil & Development Corp., Mid-Continent Oil & Gas Co. and Universal Petroleums, has provided $200,000 to drill a wildcat well at Countess, about 80 miles west and south of Calgary, The Financial Post is informed.

The Countess wildcat, Inter-Leduc-Deans-CPR No. 1, will be drilled in lsd 9 11-21-17w4th, a mile southeast of the Countess railway point and about 10 miles east of town of Bassano. Contractor Regent Drilling Co. is now rigging up rotary unit last used at Gulf's Warren wildcat near Delbourne. Spudding is slated this week and plans call for drilling to 5,500 ft., or 1,000 ft. into the Devonian, or to commercial production, should that be found at shallower depth.

Inter-Leduc Oil Co. has a 70% interest in the wildcat test, with British Dominion 12½%, Mid Continent 10% and Universal Petroleums 7½%. The team is also currently drilling first independent well on Imperial Oil land at Leduc.

Silver Miller M. Hits High Grade

Driving a crosscut on the 410-ft. level of its Cobalt property, Silver Miller Mines had encountered a 5-in. vein of high-grade silver ore in the diabase, President John Tovell informs The Financial Post. Some chunks weighing from 15 to 25 lb. have been broken off and bagged for shipment.

The new showing, encountered in the drive to ore area below that developed on 360-ft. level, is described as "extremely rich," but full significance of its importance will not be known until further work has been done, and assays are run.

The company has arrived at no definite conclusion as to treatment of 5,000 tons on surface dump which have been unofficially estimated to run at an average of 40 to 50 oz. silver to the ton. Development results on the 410-ft. level may have some bearing on the long-mooted mill for the property, it is understood. In the meantime, high-grade ore will be bagged for shipment to the smelter.

President Tovell reports cash on hand and in bank at roughly $110,000 and a crew of 33 men engaged on underground development and general maintenance.

Ontario Gold Output Gains

Total value of gold production from Ontario's 44 producing mines at $6,100,015 in May was the highest since Oct., 1943, figures released by Mines Minister Leslie M. Frost show. Grade of ore milled, however, was the lowest since Dec., 1933. Tonnage of ore treated and value of production during the month were the highest in some years.

During the month under review the 44 mines handled 725,962 tons of ore and recovered 173,723 oz. of gold and 32,866 oz. of silver for total value of $6,100,015 as against 688,954 tons of ore valued at $6,057,264 in May, 1947.

Daily average statistics indicate that 23,418 tons of ore were milled daily in May with recovery running 5,604 oz. gold and 1,060 oz. silver for a total value of $196,775; lowest since March, 1948, and attributed to leaner grade of ore handled.

Monthly Gold Output

Area	1948 Tons milled (000)	1948 Value (000)	1947 Tons milled (000)	1947 Value (000)
Porcupine Belt				
Jan.-March	1,023	8,353	1,025	8,442
April	364	2,930	350	2,726
May	373	2,944	362	2,950
Total	1,760	14,227	1,737	14,118
Kirkland Lake-Larder Lake				
Jan.-March	547	5,430	545	5,435
April	191	1,845	193	1,995
May	198	1,926	193	2,032
Total	936	9,201	931	9,462
Matachewan-Sudbury				
Jan.-March	116	516	116	335
April	46	202	41	148
May	53	194	44	164
Total	215	912	201	647
Northwestern Ontario				
Jan.-March	283	2,810	148	2,574
April	96	983	83	897
May	101	1,034	89	910
Total	480	4,827	420	4,381
Miscellaneous				
Jan.-March	....	1	....	....
April	....	2	....	....
May	....	1	....	....
Total	..	4	....	....
Grand Total	3,392	29,172	3,291	28,610

Chesterville Sets Two-year Record In June, 1948

Monthly production was the highest in over two years at Chesterville Mines in June with 3,580 oz. of gold recovered from 25,734 tons of ore milled for a total bullion value of $125,300.

Mine operating costs for May, the last figure available, were $2.96 a ton. This low operating cost was attained in spite of the fact that a cost-of-living bonus was paid to the employees amounting to 17.5 cents per ton of ore milled. Lowest pre-war cost was $2.90 a ton. Low costs are stated to be made possible by increased efficiency and co-operation of employees and maximum mechanization underground and on surface.

With the addition of the amount due under the Emergency Gold Mining Assistance Act, the total amount from production for June would approximate $132,700, giving a total operating profit for the month of approximately $51,700.

Eldona Proves Better at Depth

Holes at 850 Level Give Best Results Yet — Has $235,000 Cash

Considerably improved results over those secured above the 500-ft. level have been secured by Eldona Gold Mines at the 850-ft. level. Work is just getting sufficiently advanced at the 1,000-ft. level to determine shortly if improvement will continue there.

After drifting easterly to get under the indicated ore body at the 850-ft. level, holes put out to the southeast and south have revealed a real improvement in values on the combined southward dip and southeastward plunge of the ore body.

Horizontal drill hole U-63 put out south from the 801 east drift on the 850-ft. level (and 50 ft. east of hole U-61) returned 77.5 ft. starting at the collar which assayed 0.2 oz. gold, 1.74 oz. silver, 3.77% zinc and 0.15% copper. Taking a wider section — the first 135.5 ft. of core — the average was 0.18 oz. gold, 1.86 oz. silver and 4.88% zinc.

The management reports that a 3.6-ft. core intersection from 49.4 to 53.0 footage included in each core length ran 24.74 oz. gold, 36.39 oz. silver and 9.84% zinc on initial assaying. This section, however, was cut to 1.30 oz. gold and 3.90 oz. silver over the 3.6-ft. section in computing the above averages. Check assays using both pulps and rejects for the 3.6-ft. section gave from around 20 to 30 oz. gold with corresponding ratios in silver.

True significance of results contained in this hole will not be clear until additional work is carried out and other parallel holes are drilled.

The 802 south crosscut is now being driven to get into the area explored by No. 61 drill hole. This latter hole (50 ft. to the west of U-63) gave 31 ft. averaging 0.533 oz. gold, 1.54 oz. silver, 3.51% zinc and 0.39% copper. After this drive is completed, the 801 east drive is to be continued 150 ft. eastward to permit a further test of the easterly extension of the occurrence.

At the 1,000-ft. level, hole No. 62 was put out as an angle hole from the face of the 1001 drive to obtain information to aid in directing further development. A core length of 16.8 ft., starting at footage 201.5, averaged 0.10 oz. gold, 2.11 oz. silver, 5.41% zinc and 0.09% copper. The management feels that the hole did not cut the main ore zone which would lie farther east due to the general rake of the zone in that direction. The intersection secured may be thus the westward extending limb of the hanging-wall zone cut in hole No. 63 on the 850-ft. level, it is stated.

At June 30, 1948, the company had in excess of $235,000 in its treasury which is considered adequate for completion of the present program.

Imperial Nearly To Double Size Edmonton Plant

From Our Own Correspondent

EDMONTON — Imperial Oil plans to increase the capacity of its Edmonton refinery to 11,000 bbls. daily as soon as possible, said President Henry H. Hewetson, in Edmonton.

Present planned capacity of the refinery is 6,000 bbls. daily. The new figure will make it the company's second largest west of the Great Lakes, providing no increases are made in other plants.

The move will give Imperial Oil a total refining capacity in western and Northwestern Canada (including the Norman Wells sub-Arctic refinery) of 44,100 bbls. daily; slightly less than Sarnia's 46,000 capacity.

"By End of 1949"

Estimated cost of the expansion here is $2.5 millions, said the company president. It might take a year to complete, he added. This would make total cost of the refinery development here about $11.2 millions. Although no dates were mentioned with the proposal it could mean an 11,000 barrel production capacity by the end of 1949.

Official opening for the refinery is set for July 17, when operations at the crude oil processing unit will commence. The whole refinery is expected to be in operation by the end of the year. It has taken less than a year to get the huge plant into initial production, following purchase of the Canol Whitehorse refinery last fall. Cost of moving the plant here, and of reconstruction, has risen from the estimated $7.5 millions to $8.7 millions, said the company president.

Mr. Hewetson said company officials believe the expansion can be conducted on a sound economic basis and necessary equipment can be obtained. Future increases in capacity beyond the 11,000 barrel figure will depend mainly on considerations of area demand for and consumption of, the product, he stated.

The proposed extension does not alter plans for the company pipeline from Leduc to Moose Jaw and Regina, said Mr. Hewetson. Preliminary surveys of the route have been made and cost accounting for the pipeline has been studied.

Imperial Oil's projected $1.5 million gas absorption plant for the Leduc-Woodbend field is now being listed; "a 1949 budget item," said Mr. Hewetson. Also being considered, is the question of whether to return gas to formation below surface.

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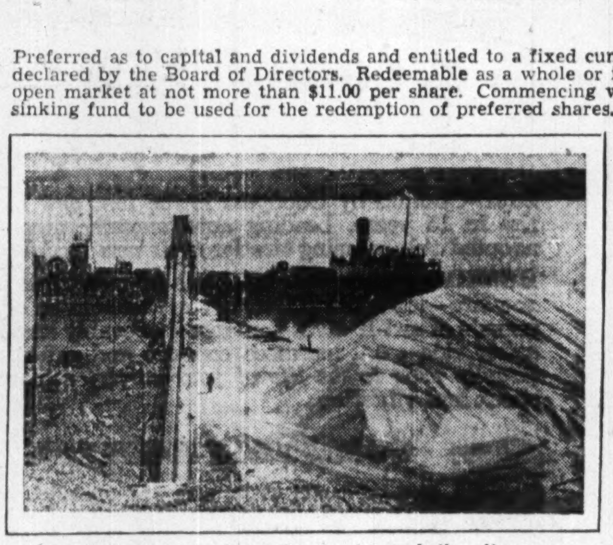

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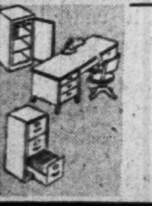

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MINING INVESTMENTS

Where is Missing Search For Base Metal Deposits?

With most base metal mines realizing record profits this year and market authorities forecasting a further jump of two to three cents a pound for zinc in world markets, practically every known Canadian occurrence of base metals of any size is receiving attention. Activity is taking the form of everything from plans for a big 2,000-ton mill for the Reeves-MacDonald lead-zinc deposit in British Columbia to underground development of the Lynn Lake nickel-copper deposits of Sherritt Gordon and extensipe drill testing of the lead occurrences of the Richmond Gulf sector, east coast of Hudson Bay.

But despite the tremendous interest expressed in base metal mining and confidence in the future of the base metal market for a long way ahead, active prospecting for base metals has remained at a very low ebb indeed. Practically all the activity has been confined to known deposits.

Outside of exploration in Manitoba which led to the discovery of Lynn Lake and the last Rouyn boom arising out of the discovery of Quemont, exploration for new base metal deposits has been on a minor scale across practically the entire Dominion for a matter of decades.

Geologically, the Dominion presents many interesting chances for location of new deposits. A few prospectors are hunting uranium. Even fewer appear to be hunting gold. But almost none are hunting base metals.

With the very satisfactory results being secured by existing base metal producers, it is possible the public has become "psychologically conditioned" to participation in financing of worthwhile new base metal undertakings. But little money has yet been provided for "grass roots" base metal prospecting. This is a situation which could change quickly with one or two important new finds, it is thought.

* * *

New Base Metal Factor

With ECA purchases on a substantial scale now being made, and with President Truman signing bills which make $600 millions available for strategic mineral stockpiling, powerful influences are already at work which may force base metal prices upward. But still another factor has entered the picture which may tend to push metal prices higher. This is expiration of a majority of contracts held in the United States by International Union of Mine, Mill and Smelter Workers.

It is widely thought that this union fighting for its life, will resort increasingly to strikes. "We are nearing a showdown with every major operator in the nonferrous industry," Maurice Traviss, secretary of IUMMSW recently informed locals, advising them to send in funds for a strike chest.

Stoppage of production has already occurred at the Eagle Pilcher operation. If the IUMMSW wins new wage awards, higher prices may be forced anyway to maintain production levels.

* * *

Nor-Acme Plans Progress

Hope is being expressed that the new 2,000-ton mill of Nor-Acme Gold Mines may be placed in operation before the end of the current year. This unit — by far the largest unit to be placed on any straight new postwar gold mine in Canada — should give Canadian gold production a lift of close to $10,000 a day, when operations reach capacity.

Initially it is expected to operate the mill at a rate of 1,500 tons. The shaft has been completed to a depth of 1,000 ft. with levels established at 320-, 580-, 780- and 980-ft. depth. It is expected that bulk of mill feed will come initially from the 320-ft. level.

Ore reserves were reported recently at 4,860,000 tons averaging $5.25 a ton. Actually the content is 0.1363 oz. gold per ton — or $4.77 a ton on the basis of $35 gold rather than $38.50 gold at which the $5.25 content was apparently calculated.

* * *

Quemont on Schedule

Operations are coming along quite nicely at Quemont Mining Corp., and the company may be just a little ahead of schedule at the moment. Production is planned to start next spring.

Chances appear very good that no further delays will be experienced. Steel deliveries are all-important. Thus recent settlement of labor difficulties in the coal mines in the United States had a very direct bearing on the ability of Quemont to maintain its schedule.

It is understood that further progress has been made by Mining Corp. of Canada in its plans for financing Quemont's further financial needs without disturbing Quemont's issued capital structure.

OIL PRODUCTION

Imperial Western Budget $54 Millions For 1948

From Our Own Correspondent

CALGARY — Largely because of Leduc and its growing effect on the oil economy of Alberta and other Prairie Provinces, Imperial is pouring the lion's share of its Canada-wide expenditures into Alberta, President Henry H. Hewetson informs The Financial Post.

Expenditures in Alberta this year will total about $54 millions, a $23 millions boost over the $31 millions spent in this province in 1947. Additions to fixed assets (refineries, buildings, etc.) will run about $17 millions, compared with $6 millions last year. Spendings on operations (oil exploration, development, marketing, etc.) will run about $37 millions compared with $25 millions in 1947.

The operations total includes about $8 millions being spent this year on search for new oil fields in Alberta. That exploration last year cost about $4 millions. A major part of operations spending is on development of the Leduc-Woodbend field.

Official opening of Imperial's new refinery at Edmonton is set for July 17. This plant, built around the old Canol refinery from Whitehorse, is costing Imperial $8.7 millions.

Seek Pipeline Steel

Mr. Hewetson said that planning is well advanced for the proposed pipeline from Leduc to Regina. Preliminary aerial surveys of the route have been made, the cost accounting has been gone into, and the company is now seeking supply of steel. Five hundred miles of 16-in. line will require about 80,000 tons of steel, would cost upwards of $35 millions.

Alberta expenditures include costs of the Leduc field pipeline system and the line now being completed to link the field with the Edmonton refinery, but includes no item for the Regina line.

The huge expenditures in Alberta, and the decision to build a line across the prairies, are a measure of the optimism of Imperial regarding Alberta's oil possibilities, Mr. Hewetson pointed out. The spendings, now and to come, are predicated on further discoveries of oil being made. Imperial intends to maintain its leadership in the exploration for and development of Alberta oil, and in the transport, processing and marketing of what has been found and may still be found, the company president made clear.

* * *

Prairie Oil Use Grows

The Prairie Provinces are increasingly oil hungry and, despite increased domestic oil production of over 784,000 bbls. it was still necessary to boost imports by over 140,000 bbls. to meet increased needs during the first four months of this year. For the January to April period production in and imports to the Prairies increased over 924,000 bbls. compared with the same period last year. The boost, from 4,597,000 to 5,522,000 bbls., represents a climb of about 20% in requirements.

Imports of crude oil and refined products to Alberta, Saskatchewan and Manitoba were almost 2,522,000 bbls. the first third of this year, compared with 2,383,000 bbls. the same period in 1947. Imports are a heavy drain on Canada's short supply of U. S. dollars.

Alberta's oilfields — Leduc, Turner Valley, Lloydminster and smaller pools — poured out about 2,765,000 bbls. the first four months of the year, a big jump over the 2,134,000 bbls. produced the same period of 1947. Saskatchewan produced about 235,000 bbls. from its side of the Lloydminster field compared with about 81,000 bbls. the first third of 1947.

During the first third of the year Prairie production, despite its increase, failed to quite meet growing demands. All signs point to a different story during the latter part of this year.

Combined production and imports during the first third of this year amounted to 45,634 bbls. daily, compared with 38,310 bbls. daily to first third of 1947. The periods involved are ones of seasonal low consumption. Prairie demands reach their peak in the summer and fall months.

Atlantic No. 3 In May

The effect of a wild well on normal producing operations in an oil field was clearly indicated last week in a survey of May performance in the Leduc-Woodbend field. Recorded production for the month was 268,696 bbls. 8,668 bbls. per day — an increase of 2,677 bbls. daily over the previous month. May yield boosted cumulative since discovery of the field in February, 1947, to 1,256,507 bbls. On an over-all basis, Leduc's production continues to mount rapidly. It was only last September that production passed the 1,000-barrel daily mark.

A breakdown of May performance, tells a somewhat different story than for any previous month in Leduc's history. Normal producing operations were suspended at Imperial Oil wells and a few independents late in April or early in May, and were suspended at all other wells on May 14 by order of the Conservation Board. The initial voluntary and subsequent government-ordered suspension was caused by Atlantic No. 3, which blew wild March 8 when on the verge of completion in D3 zone and, by early May, had loaded at least 200,000 bbls. of oil into sumps and pits around the well.

As a result, during May, 55 wells producing normally made only 51,313 bbls. Nine other wells which had produced in previous months were shut down all of May. During May a total of 217,383 bbls. were cleared from Atlantic No. 3 sumps and through the wild well's head into the pipeline, to raise the field's total production to 268,696 bbls. (Additional oil produced from Atlantic No. 3 in May and previously, and not yet cleared from the ground, is not taken into account in Leduc production records).

B. C. Mining Companies Struck Off, Dissolved

The following companies have been struck off the British Columbia register and dissolved:

Acme Mining Co.; All-Canadian Investment Corp.; Amalgamated Mines; Bullion Gold Mines; Cariboo Central Placers; Central Chilcotin Gold Mines; Consolidated Gold Alluvials of British Columbia; Crows Nest Oils; Dome Mountain Gold Mining Co.; Golden Age Mining Co.; Hazelton Star Mines; Keystone Charleston Mines; L. & L. Consolidated Mines; Paymaster Gold Mines; Reco Mountain Base Metal Mines; Snowshoe Placers; Sonora Gold Mines; Usk Mining Co.

ONTARIO HOLIDAY *Scrapbook*

"BRIGHT water and happy lands" — those are the characteristics of "Kawartha." The Indians couldn't have picked a more descriptive name for this lovely lake country north of Peterboro. Bobcaygeon and surrounding resorts are easily accessible. There's good accommodation and plenty to do—boating, swimming, fishing, riding, dancing. For complete details write to Ontario Holiday, Room 1004, Victory Building, Toronto.

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TOURIST BUSINESS IS GOOD BUSINESS

Near Buckhorn — these are wonderful lakes here
Aren't these beauties? George caught them June 27/47
Only 33 miles to go and Jeannie had a flat on her bike June 21/47
Jeannie and I took a "refresher" after the trip — the rapids were swell
HAPPY DAYS AROUND BOBCAYGEON JUNE 21 – JULY 6, 1947
Labatt's BREWERS SINCE 1832

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Inco Anti-Trust Suit Ends With No Law Violation Found

By agreement between the U. S. Department of Justice and the companies concerned, the anti-trust proceedings against International Nickel Co. of Canada and its U. S. subsidiary have been terminated "without any finding that the companies have violated the law."

A consent judgment issued in New York for the Southern District of New York Court disposes of the action which started May 16, 1946.

A statement issued by International Nickel Co. notes that the judgment was confined essentially to two points:

"1. Any special or regular forms of nickel rolling material which International Nickel may be supplying to its own rolling mill at Huntington, W. Va., for the production of nonferrous high-nickel rolling mill products are to be supplied also to other United States rolling mills which may desire to make these particular products. Prices are to be as favorable as the company's general prices for nickel sold to the ferrous and other large nickel consuming fields in the United States. The Huntington mill will present to a number of libraries, copies of a manual descriptive of rolling mill processes employed by it in using special forms of nickel rolling material."

The major portion of the Company's nickel sold in the United States is used for alloy steels and other applications and is not affected by the Judgment.

2. If International Nickel should have occasion to sell nickel rolling material to other foreign producers of such material or of rolling mill products, it will not be a condition of the sale that such producers not import their own production into the United States."

The Judgment recognizes the position of International Nickel as a Canadian company. It expressly provides that the company is not required to refrain from doing anything outside the United States which is called for under the laws of Canada or of other countries.

The extensive investigation by the U. S. Department of Justice, which started four years ago, has uncovered the affairs of International Nickel from 1902 until the present. The company states it is gratified that the Department of Justice and the company "have been able, by mutual agreement to dispose of this matter by the provisions of the final judgment."

SILANCO MINING & REFINING CO. authorized capital has been increased by supplementary letters patent from three million to four million shares.

Offer 5% Bonds Dickenson R. L.

An offering of $1 million of the 5% 10-year first mortgage sinking fund bonds of Dickenson Red Lake Mines is being made by Brewis & White Ltd., Toronto, sponsors of the company. The bonds are being offered on the basis of $950 for a $1,000 bond carrying with it a bonus of 250 shares of common stock. Bonds of $500 and $100 denominations are also offered on a proportionate basis.

The company is building a 200-ton mill, expected to be in operation in September. The bonds now being offered were underwritten previously by Brewis & White Ltd., to assure funds needed for completion of mill construction, extension of development, and provision of necessary working capital.

Over $3 millions of ore grading $12 to $14 a ton is stated to have been proven and indicated by diamond drilling, shaft sinking and lateral work.

STARRATT OLSEN GOLD MINES contemplates bringing the 500 ton daily capacity mill into production before September, President J. E. Hammell, states in 1947 annual report. The mining plant, purchased from Uchi Gold Mines, is now capable of hoisting 2,000 tons per day from 2,000 ft. and is designed for possible ultimate use to 3,000 ft.

Mine manager R. J. Kilgour estimated ore reserves from surface to 1,100 ft. at 502,700 tons averaging $6.43 (cut grade). Diamond drilling, however, to a depth of 1,400 ft. has indicated a continuation of ore values in favorable conditions. As a result of depth development on adjoining similiar structure on the Madsen property, it can be reasonably anticipated that values will continue to depth, Mr. Hammell, states. Current assets were $129,198 and current liabilities $34,905 at Dec. 31. A deferred liability of $305,000 was outstanding at year end to an allied company on an agreement of sale.

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